

**FBIS****DAILY REPORT**  
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LIAOWANG NOTES STATE OF SINO-U.S. RELATIONS

HK071340 Beijing ZHONGGUO XINWEN SHE in Chinese 0957 GMT 7 May 84

[Report: "LIAOWANG Article Comments on Sino-U.S. Relations" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 7 May (ZHONGGUO XINWEN SHE) -- The weekly LIAOWANG, issue No 10, available today carries an article which points out that the judgment of some U.S. opinions that Sino-U.S. relations have entered a "mature stage" is inaccurate.

An article in its "Current Affairs" column by a journal reporter says: Sino-U.S. relations are developing, and the prospects are good; however, there are still impediments, and the chief one is the Taiwan issue. At present there are a small number of people in the United States who are keen on creating "two Chinas," and some people are advocating the escalation of U.S.-Taiwan relations or the "independence of Taiwan." This is a trend that we should guard against.

The article also says: President Reagan has said that the United States is willing to abide by the three U.S.-Chinese communiques, that the Taiwan issue is a problem that should be solved by China itself, and that the United States does not intend to interfere. It is hoped that such promises will be implemented and realized through actions.

Regarding Sino-U.S. economic and trade and technological cooperation, the article points out: Since the normalization of Sino-U.S. diplomatic relations, there has been an average annual increase of 45 percent in trade between the two countries. In 1984, the amount of trade is expected to reach \$5.5 to 6 billion. In technology transfer, the United States has relaxed some of its restrictions in recent years. During the recent visit of President Reagan, the two parties signed an agreement on the mutual exemption of double taxation, and so on, and have drafted an agreement on the peaceful utilization of nuclear power. However, we cannot but see that in bilateral economic and technological cooperation there also exist difficulties and impediments, which consist mainly of some restrictive U.S. policies toward China. On the issue of technology transfer, the United States has made only a few small steps forward, and there has been no great breakthrough, while many issues have long been delayed. It is our hope that such circumstances will be changed, and that the United States will further adopt measures so that the relaxation in the policies on technology transfer to China may have more practical significance, and the equal cooperative relationship of the two countries may be genuinely promoted.

CHEN MUHUA-LED TRADE DELEGATION IN U.S. FOR TALKS

## Reagan Meets Chen

OW071915 Beijing XINHUA in English 1853 GMT 7 May 84

[Text] Washington, May 7 (XINHUA) -- U.S. President Ronald Reagan met this morning with Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade, in the Oval Office of the White House. They had a friendly conversation.

Chen Muhua arrived here yesterday to attend the second session of the China-U.S. Joint Commission on Commerce and Trade.

Present was Hu Dingyi, charge d'affaires a.i. of the Chinese Embassy to the United States.

## Trade Commission Begins Talks

OW080312 Beijing XINHUA in English 0231 GMT 8 May 84

[Text] Washington, May 7 (XINHUA) -- The second session of the China-U.S. Joint Commission on Commerce and Trade held its opening plenary meeting here this morning. The Chinese Government delegation led by Chen Muhua, minister of foreign economic relations and trade, and the U.S. delegation led by Secretary of Commerce Malcolm Baldrige attended the plenary meeting.

According to the agenda of the session, the two sides will discuss industrial and technological cooperation, investment, credit and trade. They will also exchange views about work to be done after the China-U.S. accord on industrial and technological cooperation was signed by Chinese Premier Zhao Ziyang and U.S. President Reagan last January.

Chen said at the meeting that the development of China-U.S. economic and trade relations is in good momentum. She also expressed the hope that "both sides would not only review and positively affirm the progress that have achieved, but at the same time would also face the existing problems and obstacles and what is more important is to find a way to overcome and remove them."

WOLFOWITZ COMMENTS ON REAGAN TRIP, PRC, USSR, SRV

OW071121 Beijing XINHUA in English 1105 GMT 7 Mar 84

[Text] Bangkok, May 7, (XINHUA) -- U.S. Assistant Secretary of State for East Asia and Pacific Affairs Paul Wolfowitz said here today that President Ronald Reagan's recent China visit was successful and fruitful. Speaking at a press conference, the visiting U.S. assistant secretary said "we view the development of U.S.-China relations within the broad context of the U.S. relations with all countries of the Asian and Pacific region, and feel it is important that we manage our developing relations with China in a way beneficial not only to our own interests, but also to our friends and allies in this region."

He said that he met with Thai Prime Minister Prem Tinsulanon and Foreign Minister Sitthi Sawetsila this morning and the two Thai leaders were pleased with the U.S. President's trip to China and noted that the promotion of U.S.-China relations could contribute to peace and security in this part of the world.

He said he also discussed with the Thai leaders the recent Vietnamese action along the Thai-Kampuchean border and informed them of strong U.S. support to ASEAN countries in their efforts to achieve a political solution to the Kampuchean issue.

When asked to comment on the Soviet military buildup in Vietnam, Wolfowitz said that the United States is very much concerned about the growing Soviet military presence there and that his country has substantially increased aid to Thailand in the past few years. The United States is ready to work closely with Thailand to fight against the Vietnamese threat and Soviet backing of Vietnam, he added.

Wolfowitz arrived here last Saturday on his trip to five ASEAN nations -- Indonesia, Singapore, Malaysia, Thailand and the Philippines. He leaves here for the Philippines this afternoon.

PRC, U.S. OIL FIRMS STRIKE OIL IN GUANGDONG

OW071249 Beijing XINHUA in English 1222 GMT 7 May 84

[Text] Guangzhou, May 7 (XINHUA) -- Oil flow has been reported for the first exploratory well drilled by Chinese and U.S. oil companies in cooperation in the Pearl River mouth basin of the South China Sea. This was announced here Sunday by ESSO China Limited of the United States and the China Nanhai Western Petroleum Corporation (CNWPC).

Drilling of the 3,845-meter well, Wenchang 19-1 north well, was completed on April 15. It is second well in the basin that has reported an oil flow. The first was sunk by a British oil firm, BP, last January.

Drilling operations, 265 kilometers southeast of the new oil city, Zhanjiang, in southern Guangdong Province, was undertaken by the rig, Jim Cunningham, which is now being towed to the eastern part of the Pearl River mouth basin to start drilling the second exploratory well in another block of the Sino-American cooperation zone. The ESSO-led consortium won the right to search for oil in two blocks in the basin last August. Occidental Petroleum Corporation of the U.S. has also started drilling operations in one of its contracts blocks in the Pear River mouth basin. Up till now, ESSO, BP, and Occidental have completed drilling five such wells and two have reported oil flows. Drilling of two more wells is now going on.

DENG YINCHAO MEETS RUTGERS UNIVERSITY PROFESSOR

OW051218 Beijing XINHUA in English 1139 GMT 5 May 84

[Text] Beijing, May 5 (XINHUA) -- Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, met here this afternoon with Stephen S. Chang, chairman of the department for food science in Rutgers, the state university of New Jersey. Prof. Chang has been engaged in teaching and research in food science and technology for years.

Welcoming the professor, Deng said that she hoped he would help improve China's food industry. With the development of agriculture, China's food industry has a bright future, she said. Prof. Chang said he has been impressed by the enthusiasm of the Chinese people. He said he would contribute to the development of China's food industry. Present was He Kang, minister of agriculture, animal husbandry and fisheries.

SONG PING-LED ECONOMIC DELEGATION RETURNS FROM U.S.

OW301925 Beijing XINHUA in English 1844 GMT 30 Apr 84

[Text] Beijing, April 30 (XINHUA) -- A Chinese delegation of economic planning led by Song Ping, state councillor and minister in charge of the State Planning Commission, returned here tonight at the end of its visit to the United States.

TASS CRITICAL OF REAGAN'S DISARMAMENT COMMENTS

OW071950 Beijing XINHUA in English 1933 GMT 7 May 84

["Moscow Casts Doubt on Reagan's Call for Serious Dialogue at Stockholm Disarmament Talks" -- XINHUA headline]

[Text] Moscow, May 7 (XINHUA) -- The Soviet news agency TASS said in a commentary today that U.S. President Ronald Reagan's call on Sunday for serious talks at Tuesday's Stockholm nuclear disarmament conference does not mean that Washington is ready to return to the situation before deployment of its nuclear missiles in Europe. The TASS commentary described the U.S. proposal on the prohibition of chemical weapons and the stand of the West at the disarmament talks in Central Europe as "tricks of deception." The United States is not to work [as received] for the solution of the pressing security problem at the Stockholm disarmament talks, the commentary charged. The commentary urged the United States and NATO to actually turn away from their present policy.

TASS in a separate commentary yesterday criticized Reagan for remaining tight-lipped on a number of related proposals already put forward by the Soviet Union. The trading of accusations between the U.S. and the USSR on the eve of the resumption of the Europe disarmament talks in Stockholm indicates that the talks can hardly be expected to make substantial progress.

DOLGIKH SPEAKS AT LENIN ANNIVERSARY MEETING

OW201935 Beijing XINHUA in English 1920 GMT 20 Apr 84

[Text] Moscow, April 20 (XINHUA) -- Secretary of the Soviet Communist Party Vladimir Ivanovich Dolgikh today stressed the need to guide the Soviet economy onto intensive development as a way to raise productivity. Speaking at a Kremlin meeting to mark the 114th anniversary of the birth of Vladimir Ilich Lenin (1870-1924) who led the 1917 October Revolution in Russia to form the Soviet Government, Dolgikh called on the Soviet officials at various leading posts to be responsible, serious and innovative in their work.

On the international situation, he accused the United States of stepping up arms race and seeking world hegemony and emphasized the need for Warsaw Pact countries to coordinate their diplomatic and defense measures to stave off U.S. and NATO advances. He also stressed the need for member countries of the Council for Mutual Economic Assistance (CMEA) to strengthen the integration of their economy.

General Secretary Konstantin Chernenko and other Soviet leaders attended today's meeting.

JI PENGFEI LEAVES ON FRIENDSHIP VISIT TO JAPAN

OW080646 Beijing XINHUA in English 0633 GMT 8 May 84

[Text] Beijing, May 8 (XINHUA) -- State Councillor Ji Pengfei left here this morning for Japan for a friendship visit at the invitation of the Japanese Government. Seeing him off at the airport were State Councillor and Foreign Minister Wu Xueqian, Deputy Secretary-General of the State Council Chen Chu, and Japanese Ambassador to China Yasue Katori.

Ji Pengfei said to XINHUA before leaving that Sino-Japanese relations had been developing smoothly since the normalization of diplomatic relations, with friendly cooperation in all fields better than ever through the joint efforts of both governments and peoples. He was gratified with this proof of the normalization of diplomatic ties. Ji Pengfei said that during his stay in Japan he would exchange views with Japanese Foreign Minister Shintaro Abe on issues of common interest. He would also meet Prime Minister Yasuhiro Nakasone and hoped to meet old friends who had made important contributions to Sino-Japanese friendship as well as make new friends. Ji Pengfei believed that China and Japan would continue to be good neighbors through the 21th century and enjoy everlasting friendship as long as both continued to abide by the four principles of peace and friendship, equality and mutual benefit, mutual trust, and long-term stability as worked out by their leaders.

REPORTAGE ON HU YAOBANG'S ACTIVITIES IN DPRK

## More on Banquet Speech

OW041531 Beijing XINHUA in English 1505 GMT 4 May 84

[Text] Pyongyang, May 4 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party, reiterated here today that the destiny of the Chinese people will be forever linked with that of the Korean people. He pointed out that the great friendship between the two parties, the two countries and the two peoples of China and Korea, as in the past, is and will always be able to stand the test of any great storms. Addressing a banquet in his honor here tonight by Kim Il-song, general secretary of the Central Committee of the Korean Workers' Party, Hu Yaobang recalled the intimate ties between China and Korea, especially those frequent, kins-folk-like exchanges of visits between leaders of the two countries. He said Chinese party and state leaders Deng Yingchao, Li Xiannian, Zhao Ziyang, Xi Zhongxun, Peng Zhen and Hu Qili have all visited Korea, since 1979 and he himself and Deng Xiaoping also paid a visit to Korea in April 1982. Kim Il-song, Kim Chong-il, O Chin-u and other Korean party and state leaders have visited China. He said the number of delegations exchanged between the two countries increased to well over 200 in 1983 from some 100 in 1981. All this shows that the friendly exchanges between the two peoples are developing more extensively and in a deeper-going way.

Hu Yaobang pointed out that the fact that the relations between China and Korea are so intimate is not accidental and has its deep historical root. The revolutionaries of the two countries shed blood together in the years of protracted revolutionary wars of both countries and in their common struggle against outside aggressors. The Korean Communists with Comrade Kim Il-song as their representative had been fighting abreast with the Chinese communists and supported with their own lives and blood the Chinese revolution when it was in extreme difficulty. This, he said, the Chinese Communists and people will never forget.

He said that in the times of socialist construction, the two countries have been assisting each other. Even during the "Cultural Revolution" when our party met with grave setbacks, Comrade Kim Il-song and the Korean party Central Committee, with their deep understanding of the history of our party and their keen insight, retained faith in our party. This is again something which the Chinese Communists and the Chinese people will never forget. In recent years, the Chinese party has been bringing order out of chaos and working for opening up a new phase of socialist construction for modernization, Hu Yaobang said. Comrade Kim Il-song and the Korean party Central Committee have expressed full understanding and support to our party for this historic turn, and commended the creative activities of the Chinese people, thus displaying the communists' lofty sentiments of internationalism, he added. This is also something that the Chinese Communists and the Chinese people will never forget, he stated.

Kim Il-song Banquet Speech

OW041658 Beijing XINHUA in English 1645 GMT 4 May 84

[Text] Pyongyang, May 4 (XINHUA) -- Kim Il-song, general secretary of the Korean Workers' Party said here this evening that Chinese Communist Party General Secretary Hu Yaobang's visit would add a new and brilliant page to the annals of the Korea-China friendship which has developed in a better and better way. Addressing a banquet he hosted in honor of Hu Yaobang and other Chinese guests, Kim Il-song expressed the belief that Hu Yaobang's visit would push the existing relations of friendship and cooperation between the two parties and the two peoples of Korea and China to a new and higher stage.

[Beijing XINHUA Domestic Service in Chinese at 1710 GMT on 4 May in its report on the banquet hosted by Kim Il-song at this point adds: "Comrade Kim Il-song said: 'With a profound feeling of the invincible vitality of Korean-Chinese friendship and immeasurable excitement and joy, all the members of our party and workers today welcome the envoy of friendship from the CPC and the Chinese people.' He said: 'The leaders and people of Korea and China for a long time have frequently exchanged visits without following diplomatic protocol and practices in order to exchange views and deepen friendship and mutual trust.'"]

He pointed out that the Korea-China friendship has developed into a firmly-linked, unbreakable and sincere friendship based on lofty revolutionary values.

[The XINHUA Domestic Chinese version renders this sentence: "'It is precisely owing to this friendship that the people of Korea and China have always actively supported and closely cooperated with each other and traversed together through a victorious and glorious course.'"]

Kim Il-song praised the Chinese people of various nationalities for their strenuous efforts for building their country into a highly democratic, highly civilized modern socialist strong power and for the great progress they have made in this respect by closely rallying around the Central Committee of the Chinese Communist Party. He said this is entirely the result of the experienced leadership of the leading core of the Chinese Communist Party. Kim Il-song said the Chinese people have rendered internationalist support to the Korean people in time of their arduous tests, and today the Chinese people are continuing to help the Korean people actively in their just cause, for which the Korean people will never forget. The Korean people will unswervingly maintain their sentiments of comradeship to the Chinese brothers, Kim Il-song stressed. He stressed that the continuous consolidation and growth of Korean-Chinese friendship is not only required by the development of revolution in both countries but conforms with the common interests of the peoples of the socialist countries and Third World.

It is also necessary to peace and security in Asia and the world as a whole, he added. He declared that it is the unwavering stand of the Korean Workers' Party to unite closely with the Chinese people and carry the struggle through to the end to strive for the complete national reunification and independence of Korea and China, for the victory of the cause socialism and communism, for the building of a new Asia, peaceful, prosperous and free of control and enslavement by others, and for the success in the liberation of the international working class and all the oppressed peoples of the world. "Our party and people will firmly stand by and fight shoulder to shoulder with the Chinese people whatever storms and trials we may encounter in the days to come. We will forever remain true friends of yours," he concluded.

[The XINHUA Domestic Chinese version adds: "All of the staff members of the Chinese Embassy in Korea, members of the Chinese People's Volunteer Army delegation to the Korea-Chinese side of the Korean Armistice Commission, and representatives of Chinese experts in Korea were invited to attend the banquet. Foreign envoys to Korea were also invited to attend the banquet."]

#### Kim Il-song Visits Hu

OW050212 Beijing XINHUA in English 0158 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea, paid a return call on Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party, here this morning. The Korean leader drove to the Pakhuawon Guest House at 9:00 hours and was greeted at the entrance by Hu Yaobang, Yang Shangkun and others accompanying the Chinese party leader. Among those present were Korean party, Government and Army leaders O Chin-u, Kang Song-san and Pak Chung-kuk.

#### Hu, Kim Begin Talks

OW050222 Beijing XINHUA in English 0200 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Communist Party of China, and his host Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea (WPK), sat down for political talks here this morning. Sitting across a long, brown hardwood table together with their aides, the two leaders shared a few minutes of small talk while cameramen recorded this memorable meeting. Kim Il-song extended once again a warm welcome to Hu Yaobang and Yang Shangkun in the name of the Korean party Central Committee and government. He said: "The friendship existing between our two peoples is a traditional one. Leaders of our two countries exchange visits like kinsmen. This is very beneficial to the unity and revolution of both countries."

He then introduced the Korean comrades present at the talks to Hu Yaobang. Among them were O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee and minister of the People's Armed Forces; Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Hyon Chun-kuk, first vice-director of the International Affairs Department of the WPK Central Committee; Pak Chung-kuk, vice-minister of the People's Armed Forces; and Sin In-ha, Korean ambassador to China.

Present on the Chinese side were Yang Shangkun, member of the Political Bureau of the CPC Central Committee and vice-chairman of the Central Military Commission, Qian Liren, head of the International Liaison Department of the CPC Central Committee; Xu Xin, alternate member of the CPC Central Committee and deputy chief of the General Staff of the Chinese People's Liberation Army; and Zong Kewen, Chinese ambassador to Korea.

First Round of Talks End

OW050701 Beijing XINHUA in English 0646 GMT 5 May 84

["First Round of Talks Between Hu Yaobang, Kim Il-song" -- XINHUA headline]

[Text] Pyongyang, May 5 (XINHUA) -- Chinese and Korean party leaders Hu Yaobang and Kim Il-song emerged smiling from their first round of official talks here this morning. Sources said that the talks, which lasted for nearly three hours, proceeded in a very cordial, sincere and friendly atmosphere.

The two leaders briefed each other on recent developments and discussed international issues of common interest. Briefing the Korean leader on China's economic and political situations, Hu Yaobang said that China's economy grew in 1983 better and faster than previously estimated. Total industrial and agricultural output reached 920.9 billion yuan (rmb) in value, 10.2 percent above the 1982 figure. The industry kept growing in the first four months of this year, registering a 12 percent increase over the same period in 1983. China, he added, "Is drawing up the 7th Five-Year Plan, aiming at a bigger growth in the economy and better economic results." In the next two years, China will continue reforms and the policy of opening to the rest of the world, he said.

Referring to the political situation, Hu Yaobang noted the further strengthening of the political stability and unity and a turn for the better in the public order and social conduct because of the efforts to clamp down on serious economic and criminal offences. Efforts are being concentrated on party consolidation which has been proceeding smoothly, Hu Yaobang explained. A large corps of young and competent cadres will be promoted to various leading posts to ensure the continuing of the party's policies.

Hu Yaobang also had a wide ranging exchange of views on international issues of common interest with Kim Il-song. He also briefed Kim Il-song on the recent visits to China by Japanese Prime Minister Yasuhiro Nakasone and U.S. President Ronald Reagan.

Referring to the Korean question, Hu Yaobang said that the Chinese party and government hoped to see a durable stability of the situation on that peninsula. The Chinese party, government and people, he stressed, stood foursquare behind the policy for the reunification of Korea in a confederation by peaceful means and the proposal for tripartite talks including the United States, both advanced by Comrade Kim Il-song and the Korean Workers' Party.

Present at the talks from the Chinese side were Yang Shangkun, member of the Politburo of the CPC Central Committee and vice-chairman of the Central Military Commission, Qian Liren, head of the International Liaison Department of the CPC Central Committee, Xu Xin, alternate member of the CPC Central Committee and deputy chief of General Staff of the Chinese People's Liberation Army, and Zong Kewen, Chinese ambassador to the DPRK.

Present from the Korean side were O Chin-u, member of the Presidium of the Political Bureau and the WPK Central Committee and minister of the People's Armed Forces; Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Hyon Chun-kuk, first vice-director of the International Affairs Department of the WPK Central Committee; Pak Chung-kuk, vice-minister of the People's Armed Forces; and Sin In-ha, Korean Ambassador to China.

#### Visits Kim's Former Residence

OW051711 Beijing XINHUA in English 1650 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- General Secretary of the Chinese Communist Party Central Committee Hu Yaobang today visited the former residence in Mangyongdae of Comrade Kim Il-song, and with a writing brush wrote down these words: "A great national hero, and an outstanding Marxist!" In a clear weather and gentle breeze, Comrades Hu Yaobang and Yang Shangkun, accompanied by Comrades Kim Chong-il and O Chin-u, went this afternoon to Mangyongdae, some 20 kilometres southwest from here, where Comrade Kim Il-song was born and spent his childhood.

Upon their arrival in Mangyongdae, the Chinese guests were warmly welcomed by hundreds of people led by Comrade So Yun-sok, Politburo member of the WPK Central Committee and chief secretary of the party's Pyongyang Municipal Committee and other Korean leading comrades. Hu Yaobang and his party attentively looked at the old straw huts and the furniture and other things inside. At the end of the visit, Hu Yaobang said to the Korean comrades, "Comrade Kim Il-song is a comrade whom I revere very much." Hu Yaobang and other Chinese comrades had a picture taken in front of the huts. Then Hu Yaobang went around the Mangyongdae Recreation Center. He entered the electronic hall in high spirits where he met a student from the Mangyongdae Revolutionary School who were playing with an electronic toy gun. Hu Yaobang wished the student to become a brilliant military commander in future to defend the fatherland and safeguard peace in Asia.

#### Visits Farm

OW051516 Beijing XINHUA in English 1503 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- Visiting Chinese Communist Party General Secretary Hu Yaobang visited a cooperative farm on the outskirts of Pyongyang this afternoon. Kim Chong-il, member of the Presidium of the Politburo and secretary of the Central Committee of the Workers Party of Korea, O Chin-u, member of the Presidium of the Politburo of the party Central Committee and minister of the People's Armed Forces, accompanied Hu Yaobang and his party on the visit. Hu Yaobang and other Chinese guests were shown around a field of paddy seedlings on the farm.

So Yun-sok, chief secretary of the WPK Pyongyang Municipal Committee, briefed the Chinese guests on the nursing of paddy seedling and said that the farm had achieved a maximum per hectare yield of nine tons. Hu Yaobang told the hosts about how hybrid paddy is grown in China. He praised the Korean people for their rich experience in paddy growing and said to Kim Chong-il that China should learn from Korea in this field. At the end of the visit, Hu Yaobang thanked Cho Hwan-song, chairman of the farm's Administrative Committee and wishes his farm greater success. Yang Shangkun, Politburo member of the Chinese Communist Party Central Committee and vice-chairman of the Central Military Commission, also wished Cho a good harvest.

## Watches Military Display

OW051645 Beijing XINHUA in English 1632 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang who watched a military display this afternoon praised the Korean People's Army as a well-trained and heroic army. Hu Yaobang and Yang Shangkun, vice-chairman of the Central Military Commission, went to an army base in the capital's suburbs after they visited the Chil Gok cooperative farm. Hu Yaobang and other Chinese guests were warmly greeted by the officers and soldiers lining the route and watched a military show by a battalion there. The performance, which included unarmed combat and fighting skills on motorcycles, fully demonstrated the KPA soldiers' high sense of organization and discipline, as well as the indomitable combat spirit. After the show, Hu Yaobang wrote his appreciation in these words: "Salute the heroic Korean People's Army!" "Defend the fatherland and safeguard peace in Asia!"

## Attends Opera

OW051648 Beijing XINHUA in English 1636 GMT 5 May 84

[Text] Pyongyang, May 5 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang was entertained this evening at an opera performance sponsored by the Korean Ministry of Culture and Arts. When Hu Yaobang and his party entered the Mansudae Art Theatre in the company of O Chin-u and other Korean leaders, they received a prolonged standing ovation from the audience.

The opera "A Flower Girl" performed by the Mansudae Art Troupe, based on a script written in the thirties, tells how a flower girl who suffered from oppression and exploitation at the hands of the landlord class in the old society finally joined the revolutionary ranks.

At the end of the performance, Hu Yaobang, Yang Shangkun and other Chinese guests, accompanied by O Chin-u, mounted the stage and shook hands with the artists. They presented a flower basket as an expression of thanks for the excellent performance.

## Talks Resume

OW060126 Beijing XINHUA in English 0113 GMT 6 May 84

["Hu Yaobang, Kim Il-song Continue Talks in Pyongyang" -- XINHUA headline]

[Text] Pyongyang, May 6 (XINHUA) -- Chinese and Korean party leaders Hu Yaobang and Kim Il-song continued their talks here this morning. The talks began at 09:00 hours in the Kumsusan Assembly Hall. It is expected that Kim Il-song would explain Korea's positions on international issues to his guests. Present on the Chinese side were Yang Shangkun, Qian Liren, Xu Xin and Zong Kewen. On the Korean side were O Chin-u, Kang Song-san, Hyon Chun-kuk, Pak Chung-kuk and Sin In-ha.

## Further on Talks

OW060642 Beijing XINHUA in English 0630 GMT 6 May 84

[Second-Round Talks Between Hu Yaobang and Kim Il-song" -- XINHUA headline]

[Text] Pyongyang, May 6 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Communist Party of China, and Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, continued exchanging views on the situation on the Korean peninsula and other matters for three hours here this morning. Chinese sources described the second-round of talks between the two leaders as "very cordial and sincere".

They said that Kim Il-song briefed the Chinese leader on the domestic situation in Korea and the positions and views of the Korean Workers' Party and government on the reunification of their country and on easing the tension on the Korean peninsula. Kim Il-song said that the economic and political situations in Korea were very fine. The Korean party, government and people had registered excellent results in all fields of human endeavor. They would continue to hold high the banners of the ideological, technical and cultural revolutions to push ahead the socialist construction.

The two sides again exchanged views on the situation in Asia, the Korean peninsula in particular. Kim Il-song reaffirmed the consistent policy of the Korean party and government for the independent and peaceful reunification of the country. He said that the proposal for tripartite talks made by the Democratic People's Republic of Korea last January was helpful to the resolution of the Korean question, to easing the tension on the Korean peninsula and to promoting stability and peace in the Asian-Pacific region. He expressed thanks to the Chinese party, government and people for their firm support to the reunification of Korea in the form of a confederation.

Present at the talks from the Chinese side were Yang Shangkun, Qian Liren, Xu Xin and Zong Kewen. From the Korean side were O Chin-u, Kang Song-san, Hyon Chun-kuk, Pak Chung-kuk and Sin In-ha.

[Beijing XINHUA Domestic Service in Chinese at 0739 GMT on 6 May in its version of the second round of talks between Hu Yaobang and Kim Il-song at this point adds: "After the talks Comrade Kim Il-song presented to Hu Yaobang and Yang Shangkun embroideries and porcelain vases that reflect the militant friendship between the two peoples and armies of Korea and China."]

## Meets Sihanouk in Pyongyang

OW061254 Beijing XINHUA Domestic Service in Chinese 0815 GMT 6 May 84

[Text] Pyongyang, 6 May (XINHUA) -- Hu Yaobang, secretary general of the CPC Central Committee, who is paying a formal friendly visit to Korea, cordially met with Samdech Norodom Sihanouk, president of Democratic Kampuchea, this afternoon. During the meeting Hu Yaobang, on behalf of the Chinese people, warmly congratulated the Kampuchean people on their latest successes in their struggle against Vietnamese aggression. He also reaffirmed China's all-out support for the Coalition Government of Democratic Kampuchea led by Sihanouk.

The meeting was held in the Pakhuawon State Guest House. At 1400 Samdech and Madame Sihanouk arrived at the guesthouse by car. Hu Yaobang and Sihanouk warmly shook hand and embraced each other.

Hu Yaobang told Samdech Sihanouk: "You have been our old friend for many years. I am happy to see you here." Holding Hu Yaobang's hand for a long time, Samdech Sihanouk was moved. He said: "In the name of the Coalition Government of Democratic Kampuchea and the Kampuchean people, I wish your visit to Korea a complete success." He said: "I am very pleased to see the friendly relations between the two friends of the Kampuchean people, the People's Republic of China and the DPRK, being enhanced and developed."

Hu Yaobang said: "I would first of all congratulate the Kampuchean people for their fresh victories in their struggle against Vietnamese aggression. Second, I, on behalf of the Chinese Government, welcome you to visit China again. Third, China gives all-out support to the Coalition Government headed by Samdech Sihanouk. Only this government is the fundamental guarantee of victory in the Kampuchean people's struggle against Vietnamese aggression and for the subsequent national reconstruction."

Sihanouk said: "Now the three parties to the Coalition Government are closely united and are working in coordination, both in the domestic struggle and in international activities. We shall persist in our unity. We have scored great successes in our struggle against Vietnamese aggression in this year's dry season. We shall stick to our struggle and never retreat. Although our struggle is a protracted one, we are confident of final victory."

Present at today's meeting were Chinese Ambassador to the DRPK Zong Kewen and Democratic Kampuchean Ambassador to the DRPK Sam Sann.

Attends Pyongyang Rally

0W061150 Beijing XINHUA in English 1123 GMT 6 May 84

[Text] Pyongyang, May 6 (XINHUA) -- More than 200,000 people gathered at the Kim Il-song Square here this afternoon to welcome Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party. Observers described this as a strong manifestation of the great, everlasting friendship between the Chinese and Korean peoples. The huge square today became a sea of flowers and flags. When Hu Yaobang and Yang Shangkun, member of the Political Bureau of the CPC Central Committee and vice-chairman of the Central Military Commission, mounted the rostrum in the company of Kim Il-song, Kim Chong-il, O Chin-u and other Korean leaders, the crowds gave them a prolonged, standing ovation. Colorful balloons were released and fireworks set off. There were deafening cheers of hurrah for Korea-China friendship. So Yun-sok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea (WPK) and chief secretary of the Pyongyang Municipal Committee of WPK, declared the meeting open. The band rolled out strains of the Chinese and Korean national anthems.

Kim Il-song was the first to take the floor. He pledged that the Korean Workers' Party and the Korean people would, as always, do their utmost to preserve and develop Korea-China friendship. Kim Il-song said Hu Yaobang's current visit to Korea would become a new milestone in the annals of Korea-China friendship and a major event contributing to peace in Asia and the world as a whole. The visit itself, he noted, was a source of great encouragement to the Korean people.

After recalling the inseparable, kinsmen-like relations between the Korean and Chinese peoples, Kim Il-song praised the People's Republic of China for pursuing an independent foreign policy and its energetic efforts to work for world peace and human progress.

[Beijing XINHUA Domestic Service in Chinese at 1445 GMT on 6 May in its version of Kim Il-song's remarks at a Pyongyang rally at this point adds: "Kim Il-song said: 'Under the experienced leadership of Comrade Hu Yaobang, Comrade Deng Xiaoping and other leaders of the CPC, the Chinese revolution has in recent years greeted a new historic turning point. The face of China has taken on an entirely new look and the life of the Chinese people has undergone a fundamental change.' He said: 'With great ambition, the Chinese people have continued to implement the guidelines of the 12th CPC National Congress in creating a new situation in all fields of socialist modernization. In accordance with the reality in China and the aspirations of the Chinese people, the CPC has striven to solve the problems of reunifying the whole nation and bringing Taiwan back to the fold of the motherland and regaining sovereignty over Hong Kong, thereby arousing sympathy among the peoples all over the world.'"]

In his speech, Hu Yaobang said that in the past two days he and Yang Shangkun had a full exchange of views with Kim Il-song and Kim Chong-il focused on the current world developments, particularly the situation in Asia and on the Korean peninsula and the way to achieve the peaceful reunification of Korea. "Like those talks in the past," Hu Yaobang continued, "our talks this time are excellent, very cordial and very sincere. Our views are identical." He recalled that he and Deng Xiaoping had visited Korea two years ago. He was revisiting Korea and was greatly inspired by the fact that the Korean people are still more vigorous, the Pyongyang City still more magnificent and beautiful and the country still more prosperous and thriving in all fields.

After explaining in detail China's position on the Korean peninsula, especially its full backing for peaceful reunification of Korea, Hu Yaobang said that China's basic policy "is aimed at securing the prosperity of the country and the well-being and happiness of the people through concentrated efforts to realize the four modernizations and develop material and spiritual civilization.

"In domestic affairs, China has instituted a series of new principles and policies which have proved remarkably effectual. In foreign affairs, China works to develop friendly ties of cooperation with other countries on the basis of the five principles of peaceful coexistence, opposes hegemonism and defends world peace, he went on. The Chinese leader declared: "We will forever stick to an independent foreign policy. We will forever stand with the Third World countries. We are striving to enhance friendship and co-operation with those socialist countries that are willing to live in amity with China. Never shall we seek hegemony, nor yield to any pressure from hegemonism. We are firmly opposed to all hegemonist acts of invading other countries' territories and threatening other countries' security." When he said that "the Chinese people will always remain brothers of the Korean people with whom they are closely linked in vital interest and weal and woe and are in the same breath and share the same destiny," the whole stadium resounded with thunderous applause.

The rally presented a silk banner to Hu Yaobang, which was inscribed with "Long live the unbreakable militant friendship and unity between the two parties and peoples of Korea and China!"

Hu Yaobang presented a silk banner to the heroic Korean people, bearing the words: "May China-Korea friendship be as beautiful as the Kumkang Mountain and as lasting as Mount Tai!" The rally ended in the tunes of the Internationale. Present at the meeting were Qian Liren, Xu Xin and other members in the Chinese leader's entourage, Chinese Embassy staff, students and technicians in Pyongyang. On hand were also senior Korean party, government and army leaders including Pak Song-chol, Yi Chong-ok and Kang Song-san.

Supports Reunification

OW060932 Beijing XINHUA in English 0906 GMT 6 May 84

["Hu Yaobang Reiterates China's Support for Peaceful Reunification of Korea"--XINHUA headline]

[Text] Pyongyang, May 6 (XINHUA) -- Hu Yaobang reiterated here today that "the Chinese Communist Party, the Chinese Government and the Chinese people fully support the Korean people in opposing outside interference and realizing the great cause of reunifying the country independently and peacefully." The general secretary of the Central Committee of the Chinese Communist Party reaffirmed the commitment at a rally attended by 200,000 residents of Pyongyang this afternoon. Hu Yaobang pointed out that the realization of independent and peaceful reunification of Korea would surely usher in a new era in the history of the Korean people. "The Korean people's great leader, Kim Il-song, and the Workers' Party of Korea," he went on, "always stand for an independent and peaceful reunification of their country and have long been working steadfastly and unremittingly for this goal."

In 1980, Comrade Kim Il-song put forth the proposition to found a Democratic Confederal Republic of Koryo based on mutual recognition and tolerance of each other's ideology and social system between the North and the South. In January this year the Central People's Committee and the Standing Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea proposed tripartite talks between the DPRK, the South Korean authorities and the United States, on ways and means to ease tension on the Korean peninsula, on the question of peaceful reunification of the country and other related matters.

Hu Yaobang said, "Your sincere approach and persistent efforts for a peaceful solution to the Korean question have enjoyed warm endorsement from the entire Korean people, including those in the South, and won admiration and applause from all countries and peoples in the world who love peace and cherish justice." He noted that Korea occupies a strategic position in Northeast Asia. A protracted division of the country not only would greatly harm the interests of the Korean nation, but is also unfavorable to the maintenance of security and stability in Northeast Asia and in the Asian-Pacific region as a whole. Therefore, he added, an independent and peaceful reunification of Korea "is also an important question that has profound effect on world developments of our times, and is closely related to the interest of the peace-loving countries and peoples in the Asian-Pacific region and the rest of the world." The Chinese leader praised the confederation proposed by Comrade Kim Il-song and the Korean Workers' Party as a reasonable, realistic and practical way to reunify Korea independently and peacefully.

By peaceful reunification of Korea in the form of confederation as described in the relevant documents adopted at the Korean Supreme People's Assembly, "neither side should force its views on the other, nor should one side annex the other." Instead, they should live in harmony on the basis of mutual recognition of each other's ideology and social system.

He added, "If the large-scale Korean war 30 years ago could be brought to a halt through negotiation, it is completely necessary and possible to turn the armistice into a lasting peace on the Korean peninsula and to achieve a peaceful reunification of the country by way of negotiations as well." "The peaceful reunification of Korea which the Korean party and government have formulated and have been striving to achieve determinedly is a bright road towards putting up the sword and becoming amicable, a bright road consistent with justice and answerable to the will of the people," he went on. "It represents the common demand of the entire Korean people and the righteous cause of the entire Korean nation. It truly takes into account the long-term interests of many generations of the Korean nation. It is meant for the maintenance of security and stability of countries in the Asian-Pacific region and for the interest of peace in the world as a whole. We deeply admire and fully support the foresight and sagacity and the breadth of spirit your country has displayed in standing at the fore of the historical tide."

Hu Yaobang stressed that China is firmly and consistently opposed to the stationing of U.S. troops in South Korea and to the U.S. interference in Korea's internal affairs. "During the U.S. President's visit to China, Chinese leaders including myself once again explained in a frank manner China's position of fully supporting an independent and peaceful reunification of Korea and demanded that the United States take the initiative to pull its troops out of South Korea and support the realization, through negotiations, of the reunification of Korea in the form of confederation in the interest of a lasting peace on the Korean peninsula."

He pointed out: "Countries want unification and nations want reunion; this is a historical trend no force can arrest." It is unimaginable that a great nation like the Korean nation could be permanently divided by man. "Whoever is bent on seeking selfish interest at the expense of the highest interest of national reunification is bound to be discarded despicably by the entire Korean people, including those in the South."

[Beijing XINHUA Domestic Service in Chinese at 1212 GMT on 6 May in its version of Hu's support for Korean reunification at a Pyongyang rally at this point adds: "Hu Yaobang said that the people of China and Korea have always supported each other. He expressed heartfelt thanks to the Korean people's valuable support for China's revolutionary cause, socialist construction and struggle to realize Taiwan's return to the motherland."]

In conclusion, Hu Yaobang expressed the firm confidence that whatever hardships and obstacles there might be in the way, the Korean people, by relying on their own strength and with the support of the people the world over, are sure to realize their country's independent and peaceful reunification and become a mighty force in maintaining peace in Northeast Asia.

## Kim Il-song at Rally

OW061112 Beijing XINHUA in English 1100 GMT 6 May 84

["Kim Il-song Urges U.S., South Korea To Enter Into Tripartite Talks"--XINHUA headline]

[Text] Pyongyang, May 6 (XINHUA) -- Korean leader Kim Il-song today urged the United States and the South Korean authorities to accept the proposal to hold tripartite talks to search a solution to the Korean problem. The tripartite talks are a most realistic formula of negotiation to improve relations between the DPRK and the United States and between the North and the South standing in confrontation with each other and provide a guarantee of peace in Korea and a precondition for her independent and peaceful reunification, without contradicting each other's interests, he pointed out. Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, made the remarks at a mass rally here this afternoon in honor of Hu Yaobang, general secretary of the Central Committee of the Communist Party of China.

He stressed, "If the United States and the South Korean authorities really want peace in Korea and her peaceful reunification, they should accept our serious peaceful initiative in good faith, and have contacts without delay with us to seek the solution of the problem." He said, "Today, the Korean question is a matter of pressing urgency which should not be looked on in the world politics, but be solved without delay. Unless an end is put to the present national division and military confrontation on the Korean peninsula, it is impossible to think about a durable peace and security in the world, not to mention peace in Korea and her peaceful reunification." Kim Il-song said the Korean Workers' Party is working for a peaceful solution of the Korean problem through dialogues and consultations.

[Beijing XINHUA Domestic Service in Chinese at 1445 GMT on 6 May in its version of Kim Il-song's remarks at a Pyongyang rally at this point adds: "'The question can never be settled by means of threatening others with 'strength' and forcing one's will upon others. It will only aggravate confrontation and cause military conflicts in the end.'"]

Dialogue alone will make it possible to prevent the danger of war and turn the situation in favour of peace and peaceful reunification, he added.

[The XINHUA Domestic Chinese version at this point adds: "'In the face of this stark reality, no one who is not bereft of reason will say that we do not want a genuine peace but are making a "camouflaged peace offensive.'"]

"It was from this viewpoint that we put forward a new proposal to hold tripartite talks by letting the South Korean authorities participate in the talks between us and the United States on an equal footing," he said.

He expressed thanks to the Chinese Communist Party and government for their full support for the proposal for tripartite talks and their position of regarding the Korean people's cause of national reunification as their own task linked with the Chinese revolution. "Our people will definitely achieve the country's independent and peaceful reunification with the strong support and encouragement of the Chinese people and the peoples of other socialist countries, the international working class, Third World peoples, oppressed nations and all the progressive people of the world," he declared.

## Hu, Kim Begin Tour

OW070352 Beijing XINHUA in English 0337 GMT 7 May 84

[Text] Pyongyang, May 7 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, left here today to continue his tour of the other parts of the country in the company of his Korean counterpart Kim Il-song. When General Secretary Hu and his party drove through the capital, more than 300,000 well-wishers lining the seven-kilometer-long highway leading to the newly-built Songsin flyover at the southern suburbs of the capital bid them farewell. A farewell ceremony was held at the flyover where balloons soared and the Chinese guests were presented bouquets by Pyongyang children.

Warmly shaking hands with Kim Chong-il, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea (WPK) and secretary of the WPK Central Committee, Hu Yaobang thanked his Korean host for the warm reception and hospitality accorded him during his stay in the capital. President at the ceremony were other Korean party and government leaders including Pak Song-chol, Yi Chong-ok and Kang Song-san. Also at hand was So Yun-sok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and chief secretary of the Pyongyang Municipal Committee of the Workers' Party of Korea. O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of the People's Armed Forces, is also accompanying the Chinese guests during their tour of the country.

## Arrives in Wonsan

OW071144 Beijing XINHUA in English 1127 GMT 7 May 84

[Text] Wonsan, Korea, May 7 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Communist Party of China (CPC), was accorded a rousing welcome by more than 200,000 people today upon his arrival in Wonsan, a cultural center on Korea's eastern coast. Chinese leaders Hu Yaobang and Yang Shangkun, in the company of their Korean hosts Kim Il-song and O Chin-u, were also greeted by local party and government leaders including Yi Chae-yun, chief secretary of the Kangwon Provincial Committee of the Workers' Party of Korea, Choe Pok-yon, chairman of Kangwon Provincial People's Committee and Paek Chong-won, chief secretary of Wonsan city committee of the party.

The Chinese guests were presented bouquets by children. Following a brief visit to a Korean People's Army unit here, the Chinese guests had a sight-seeing tour of the city. As the Chinese guests drove into the city the streets where the motorcade passed were lined with well-wishers who waved the national flags of both countries and flowers and chanted "Welcome to Hu Yaobang!" and "Korean-Chinese friendship!"

Wonsan, a city known for its cultural tradition with eight universities and colleges and 72 middle and primary schools, was today festively decorated. Everywhere in the city were seen huge signs written in both Korean and Chinese characters "Eternal friendship" and "Great unity", together with pictorial depicting the militant friendship between the two peoples. In the city's central plaza stood a 70-meter high painting of the country's scenic spot Kumgang Mountain. Eight Korean girls dressed as "fairy maidens" danced and presented flowers to the Chinese guests.

After Kim Il-song gave an account of the Kumgang folklore of the eight "Fairy Maidens," Hu Yaobang Moved forward to shake hands with the "fairy maidens." When the Chinese guests proceeded to the garden of pines, 15,000 children, dressed up as rabbits and deer, danced while chanting welcome to the Chinese guests.

Before Hu Yaobang left Wonsan, Yi Chae-yun, on behalf of the Kangwon Provincial Committee of the Workers' Party of Korea, presented him a bamboo table and a pair of bamboo chairs. Hu Yaobang, accompanied by Kim Il-song, left here this afternoon by special train for Hamhung.

#### Visits Wonsan Army Unit

OW071041 Beijing XINHUA in English 1017 GMT 7 May 84

[Text] Wonsan, Korea, May 7 (XINHUA) -- Chinese leaders Hu Yaobang and Yang Shangkun today visited a local unit of the Korean People's Army here and praised it as "a bastion of iron for safeguarding the country." Hu Yaobang, general secretary of the Chinese Communist Party (CPC) Central Committee, and Yang Shangkun, member of the Political Bureau of the CPC Central Committee and vice-chairman of the Central Military Commission, were in the company of Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea (WPK), and O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee and minister of the Korean People's Armed Forces on the visit.

When the Chinese guests arrived at the unit stationed near Wonsan, a port city on the eastern coast of the country at 11:30 hours local time, they were accorded a warm welcome by the soldiers and officers of the unit at their barracks where big banners were posted with inscriptions in both Korean and Chinese languages "Warmly welcome Comrade Hu Yaobang" and "Long live militant friendship between the Korean and Chinese peoples". After inspecting the troops' honor guard and receiving bouquets by women soldiers, the Chinese leaders visited the tunnel works and other military facilities of the unit. Before leaving the unit, Hu Yaobang and Yang Shangkun left written remarks, describing the unit as "a bastion of iron for safeguarding the country."

When the Chinese and Korean leaders climbed to the top of a hill to oversee the famous beautiful port city of Wonsan in the distance, Kim Il-song told the Chinese guests that the city, where Chinese leaders Peng Zhen and Geng Biao had visited, was made a port at the beginning of the century and has since then developed into a well-known trading port. Hu and Yang very much admired the advantageous topography and the charming landscapes of the area.

Accompanying the Chinese guests in the tour were also senior Korean army officers and local party and government leaders including Pak Chung-kuk, Yun Chi-ho, Yi Chae-yun, Choe Pok-yon and Paek Chongwon.

[Beijing XINHUA Domestic Service in Chinese at 0917 GMT on 7 May in its version of Hu's visit to the Wonson army unit at this point adds: "Also touring the city were Qian Liren, Xu Xin, Zong Kewen, and others."]

## Arrives in Hamhung

OW071712 Beijing XINHUA in English 1547 GMT 7 May 84

[Text] Hamhung, Korea, May 7 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Communist Party of China, accompanied by Kim il-song, general secretary of the Central Committee of the Workers Party of Korea, arrived here from Wonsan this afternoon to continue his tour in Korea.

[XINHUA Domestic Service in Chinese at 1421 GMT on 7 May transmitted a report on Hu Yaobang's arrival in Hamhung. According to the XINHUA Chinese report, Yang Shangkun was in Hu's entourage and they were accompanied on the trip by Kim il-song and O Chin-u, a Standing Committee member of the Political Bureau of the KWP Central Committee and minister of People's Armed Forces.]

Upon arrival, they were accorded a rousing welcome by local party and government leaders and more than 300,000 people. Hamhung, capital of South Hamgyong Province on the east coast, is Korea's largest industrial city with a population of 630,000. Chinese party and government leaders Liu Shaoqi, Zhou Enlai, Deng Xiaoping, Li Xiannian, Zhao Ziyang and Deng Yingchao have visited the city on separate occasions. In May of 1979, a statue of the late Premier Zhou Enlai and a monument in his memory were erected here. In June of 1982, Hamhung was designated as a friend city of China's Shanghai.

The Chinese guests drove straight to the February 8 vinylon complex for a tour soon after their arrival. They are also going to visit the Hungnam chemical fertilizer complex and the Ryongsong machine-building complex later.

## Visits Vinylon Complex

OW080158 Beijing XINHUA Domestic Service in Chinese 1415 GMT 7 May 84

[By reporter Zhang Jinfang]

[Excerpt] Hamhung, 7 May (XINHUA) -- During his tour of the "8 February" vinylon complex in Hamhung this afternoon, Hu Yaobang, general secretary of the CPC Central Committee, highly praised Korea's achievements in the chemical fiber industry and said China should learn from Korea in this area.

Comrades Hu Yaobang and Yang Shangkun, accompanied by Comrades Kim Il-song and O Chin-u, drove straight to the "8 February" vinylon complex for a tour after their arrival in Hamhung. Hu Yaobang and his party were greeted by Chu Kil-pon and So Chae-hong, respectively responsible secretary and manager of the complex.

Hu Yaobang highly appreciated Korea's achievements in the chemical fiber industry. He said to the factory's responsible comrades: "China's chemical fiber industry should learn from Korea's chemical fiber industry." Chu Kol-pon described how the enterprise operates a factory university and a professional college to train management cadres and technical personnel needed by the enterprise. Hu Yaobang said: "You are better than us in conducting study programs."

Comrades Hu Yaobang, Yang Shangkun and others visited three workshops of the plant. Hu Yaobang examined a spinning machine operated by young female worker Chu Chong-sun to see how the machines work. With a magnifying glass, he took a close look at the vinylon spinneret with 8,000 holes on it. Hu Yaobang inspected the soft and fluffy vinylon products at the fiber.

At the end of the tour, in the name of all WPK members and workers of the complex, Chu Kil-pon presented a box of vinylon products to Hu Yaobang as a souvenir. Chu Kil-pon asked Hu Yaobang to convey the Korean working class' regards to the Chinese working class after he returned to China. Shaking Chu Kil-pon's hand, Hu Yaobang said: "We will learn from you. We wish the glorious working class of Korea greater glory."

#### CHINA DAILY ON HU VISIT, PRC-DPRK RELATIONS

HK050252 Beijing CHINA DAILY in English 5 May 84 p 4

[CHINA DAILY commentator: "Visit to Comrades"]

[Text] General Secretary Hu Yaobang of the CPC Central Committee arrives in Pyongyang today for an official friendly visit to the Democratic People's Republic of Korea. Accompanied by Yang Shangkun, Political Bureau member and executive vice-chairman of the Central Military Commission, the Chinese Communist Party leader is visiting this fraternal neighbouring country at the invitation of his counterpart, General Secretary Kim Il-song of the Central Committee of the Korean Workers' Party. It has been barely two years since a similar visit was made by Hu and Deng Xiaoping. Such comradely mutual exchanges are frequent and are important in strengthening the close ties between the two countries, ties that have been cemented in blood and have stood the test of time.

#### Struggle

In their decades-long struggle for national liberation, the people of China and Korea have fought as comrades-in-arms against common enemies. In their efforts for socialist modernization and national reunification, they have given each other unreserved support while scrupulously respecting their respective policies of independence. The long division of the Korean nation is not only unfortunate for the 60 million hard-working and intelligent Korean people, who once united would certainly make much more valuable contributions to the world community. What is more, continued confrontation on the peninsula, intensified by the American military presence, remains a constant irritant to the peace and stability of northeast Asia.

#### Confederation

The continues stationing of the American armed forces in Korea is in direct violation of a specific resolution adopted by the 30th United Nations General Assembly in 1975, which calls for the withdrawal of all foreign troops from the country. The stationing of American troops in South Korea, which is a legacy of the Cold War, really does no good to the reputation of the United States. As for China, it is in favour of achieving the peaceful reunification of South and North Korea in the form of a confederation, "with neither side swallowing the other," as was made clear by Hu Yaobang only a week ago. It may be recalled that Kim Il-song proposed in October 1980 that the North and the South should establish a Democratic Confederal Republic of Koryo. The main points of the proposal are that independence and self-determination should be maintained, both sides keep their original social systems, confrontation be gradually eliminated, and a neutral, non-aligned foreign policy adopted. It is hoped that the situation on the Korean peninsula can be stabilized so as to facilitate the country's peaceful reunification and help secure the peace and stability of the Asian-Pacific region and the world.

LIAOWANG LAUDS HU YAOBANG VISIT TO DPRK

OW040720 Beijing XINHUA in English 0657 GMT 4 May 84

[*"OUTLOOK Article on Hu Yaobang's Visit to Korea" -- XINHUA headline*]

[Text] Beijing, May 4 (XINHUA) -- A signed article carried by the Chinese weekly OUTLOOK in its May 7 issue predicts that the current visit to Korea by Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party will contribute to the furtherance of the friendly ties between China and Korea. The article says that the Chinese and Korean people are comrades-in-arms and brothers who shared weal and woe in the past protracted struggle against foreign invaders and supported each other in socialist construction. Hu Yaobang's current visit to India "constitutes an important event in the annals of relations between China and Korea and demonstrates once again the great friendship and militant unity between the people of the two countries." Besides learning from the Korean people, Hu Yaobang will exchange views with Kim Il-song on the current international situation, the situation in Asia and on the Korean peninsula in particular.

On the situation on the Korean peninsula, the article says that the continued confrontation and tensions between the North and South of the country spell "not only an impediment to the prosperity and progress of the entire Korean nation but also a factor unfavorable to the security and stability of countries in the Asian-Pacific region."

The article voices support for the proposals raised by President Kim Il-song and the Workers' Party of Korea for an independent and peaceful reunification of the country in the form of a confederation and for tripartite talks with the United States and the South Korean authorities to discuss ways to relax tensions on the peninsula and to achieve the independent and peaceful reunification of the country.

The article criticizes the policy of the United States of stationing troops in South Korea and taking South Korea as "an unsinkable aircraft carrier." It urges the U.S. Government to take a positive position for the relaxation of tensions on the Korean peninsula.

The article expresses the confidence that "no matter how difficult and bumpy it might be on the way, the Korean people, by relying on their own strength and with the support of the peace and justice loving peoples and countries in the world, are bound to reach the great goal of the peaceful reunification of their country."

XINHUA REPORTERS INTERVIEW DK'S KHIEU SAMPHAN

OW061907 Beijing XINHUA in English 1836 GMT 6 May 84

[Text] Phnom Melai, May 5 (XINHUA) -- Vice President of the Democratic Kampuchea Khieu Samphan said today that the attacks on six Vietnamese-occupied provincial cities by Democratic Kampuchea's National Army since January have been of great military, political and economic significance and received a favorable response in the world. The vice president was speaking with a group of XINHUA correspondents here upon his return from the 40th session of the Economic and Social Commission for Asia and Pacific (ESCAP) in Tokyo and from a visit to Niger.

Khieu Samphan said it is the first time in more than five years that the Kampuchean resistance forces have thrusted into the Vietnamese-held provincial cities and a number of country towns. These attacks, he said, have shocked the Heng Samrin puppet troops and encouraged the people. The six provincial cities -- Kompong Thom, Battambang, Khemarak-Phouminville, Kompong Speu, Siem Reap and Pursat -- are important transportation junctions, with four of them situated around the Tonle Sap. The attacks brought heavy losses to the Vietnamese troops and disrupted their military supplies and transportation routes. These operations and guerrilla activities in areas near the Tonle Sap, known as the granary of Kampuchea, cost the enemy a vast expanse of food-growing area but improved food supplies for the national army in their effort to expand guerrilla areas.

SON SANN CALLS FOR CONFERENCE ON KAMPUCHEA

OW051210 Beijing XINHUA in English 1146 GMT 5 May 84

[Text] Paris, May 4 (XINHUA) -- Prime Minister of the Coalition Government of Democratic Kampuchea Son Sann today called again for the convention of an international conference to solve the Kampuchean issue, demanding Vietnamese troop withdrawal from Kampuchea. Son, president of the Khmer People's National Liberation Front, told a press conference here that peace and stability in Southeast Asia depend on the solution of the Kampuchean problem. The Vietnamese occupation of Kampuchea is a factor of instability in the region, he said.

Referring to his recent inspection tour of villages and anti-Vietnamese resistance bases in Kamuchea which were under attacks by Vietnamese forces, Son Sann said the invaders met with stiff resistance and failed to attain their goal despite their advanced weapons and equipment "Contrary to the prediction of the strategists in Hanoi that they (Vietnamese invading forces) would overrun Ampil four days and four nights, we are still there," said Son Sann. He again denounced Vietnam for practising colonization in Kampuchea.

He also stressed that there is no middle-of-the-road position between the expansionist aggression by Vietnam and the independence and sovereignty of Kampuchea, just as there is no compromise between Soviet expansionist aggression and the independence and sovereignty of Afghanistan. The Kampuchean people are looking forward to substantial assistance instead of vaguely-worded statements, he added.

Asked about the relations between the three factions within the Coalition Government of Democratic Kampuchea, Son Sann replied: "We are in complete agreement on our common goal -- the national liberation."

Referring to the attitude of ASEAN countries toward the Kampuchean issue, he said Hanoi had failed to sow discord among ASEAN countries which voice<sup>d</sup> agreement on the realization of a sustained peace in Kampuchea. As for China, he said that in fact, China is supporting all of the Kampuchean resistance forces. It also supports Kampuchea in exercising self-determination and non-aligned policy, he said. On U.S. President Ronald Reagan's recent statement on the need to support ASEAN countries in their struggle against expansionist aggression, Son Sann said: "I hope these statements and good intentions will be accompanied by concrete actions."

LI XIANNIAN CONGRATULATES NEW MALAYSIAN RULER

BK271018 Beijing in Malay to Malaysia 1230 GMT 26 Apr 84

[Text] PRC President Li Xiannian today sent a cable to His Majesty Haji al-Matawakkil al-Allah Sultan Iskandar of Johor congratulating him on his accession as the yang dipertuan agung [paramount ruler] of Malaysia.

The congratulatory message reads:

Kuala Lumpur

Your Royal Highness the Paramount Ruler of Malaysia, Haji al-Mutawkkil al-Allah, Iskandar Sultan of Johor

In conjunction with Your Royal Highness's accession as the eighth paramount ruler of Malaysia, I, in the name of the Chinese people and on my own behalf, convey warmest congratulations and good wishes to Your Highness. May the existing friendly relations and cooperation between the countries and peoples of China and Malaysia further flourish.

Li Xiannian, president of the PRC

Beijing, 26 April 1984

CHEN MUHUA MEETS, FETES MALAYSIAN VISITORS

OW291735 Beijing XINHUA in English 1539 GMT 29 Apr 84

[text] Beijing, April 29 (XINHUA) -- Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade, met and feted a group of Malaysian tourists here today in the Great Hall of the People. The group includes Tun Ismail Ali, chairman of the National Equity Corporation, Raja Tan Sri Mohar, special economic advisor to the prime minister and Kuok Hock Nien, chairman of the board of directors of the Kuok Brothers Limited Malaysia. Present on the occasion was Ma Hong, president of the Chinese Academy of Social Sciences.

The group arrived here on April 26. It will tour Xian, Shanghai, Wuxi, Suzhou and Hangzhou.

ZHAO ZIYANG MEETS VISITING NEW ZEALAND MAYOR

OW301458 Beijing XINHUA in English 1446 GMT 30 Apr 84

[Text] Beijing, April 30 (XINHUA) -- Premier Zhao Ziyang this afternoon met a friendship delegation from Christchurch, New Zealand, led by Mayor Hamish Hay. The mayor signed an agreement in Lanzhou on April 22 establishing friendship ties between Christchurch and Gansu Province.

Mayor Hay said that the establishment of the friendship ties could not have been realized without the efforts of Rewi Alley. Alley, who came to China more than 40 years ago to teach in Gansu, was born in Christchurch. He was present at today's meeting.

Premier Zhao expressed his thanks for the warm welcome he received in Christchurch, the first leg of his New Zealand tour one year ago. Hay told him that the gingko tree Zhao planted in the New Zealand city marking the friendship between the people of the two countries was growing well.

Also present was New Zealand Ambassador to China F.A. Small.

ALL HONG KONG WORKERS URGED TO CONTRIBUTE

OW011259 Beijing XINHUA in English 0813 GMT 1 May 84

[Text] Hong Kong, May 1 (XINHUA) -- Yang Kuang, president of the Hong Kong and Kowloon Federation of Trade Unions, yesterday called on all Hong Kong workers to contribute to Hong Kong's democracy, freedom, stability and prosperity. Speaking to some 80 trade union leaders who were gathered to celebrate the International Labor Day, Yang Kuang said to promote Hong Kong's economic development was to serve the country's modernization program. "While developing Hong Kong's economy," he said, "efforts should be made to improve the workers' working and living conditions."

The union leader also expressed appreciation of the recent statement by British Foreign Secretary Sir Geoffrey Howe, saying that "it clarified the position of the British Government on the Hong Kong issue and showed a sensible and realistic attitude." He said the stand on Hong Kong issue of the Chinese Government had reflected the will of the Hong Kong residents and had won more and more support from them.

He suggested that the government after 1997 in Hong Kong should be a special one with high degree of autonomy and be elected by Hong Kong residents through democratic election or consultation and composed of representatives of various stratum, including industrialists, businessmen, professionals and workers. "Only when potentials in all fields are tapped can Hong Kong be built better," he added.

HONG KONG'S EVERBRIGHT TO INVEST IN PRC HOUSING

HK041244 Beijing ZHONGGUO XINWEN SHE in Chinese 1326 GMT 3 May 84

[Text] Hong Kong, 3 May (ZHONGGUO XINWEN SHE) -- A spokesman for Hong Kong's Everbright Company disclosed to reporters today that the company is cooperating with the Sino Land Company Ltd., to set up the Guang Xin Housing Construction and Investment Company Ltd. (China), with the intention of investing in the building of multistoried housing developments for Overseas Chinese in Beijing, Shanghai, and Fujian.

The spokesman said that the purpose in setting up the housing construction and investment company is mainly to arrange coordination with China's recently announced policy of turning residential houses into commodities. Housing developments built on China's mainland are mainly for Overseas Chinese. In the future, residential houses will also gradually be built for local residents.

Sources say Hsieh Chuan-chiu, general manager of the Guang Xin Housing Construction and Investment Company Ltd. (China), has already gone to the mainland to carry out an on-the-spot investigation and to discuss with departments concerned there some concrete problems related to housing construction.

REPORTAGE ON PORTUGAL'S MOTA PINTO'S PRC VISIT

OW042159 Beijing XINHUA in English 1832 GMT 4 May 84

[Text] Hangzhou, May 4 (XINHUA) -- Carlos A. Mota Pinto, Portuguese deputy prime minister, his wife and their party arrived here by special plance from Beijing today in the company of Zhang Tong, director of the Foreign Affairs Department of the Ministry of National Defense. They were greeted at the airport by Kang Mingcai, commander of the Zhejiang Provincial Military Area. This evening the Zhejiang Military Area gave a banquet in honor of the Portuguese guests.

Pinto and his party this morning visited an air unit of the Chinese People's Liberation Army stationed in Hangzhou. Pinto said after the visit that according to China's policy the most important task for the army is to defend the country's sovereignty and guard against the threats from super powers.

This afternoon the Portuguese guests toured the West Lake. They will continue their visit in Hangzhou tomorrow.

Leaves for Shanghai

OW051918 Beijing XINHUA in English 1856 GMT 5 May 84

[Text] Hangzhou, May 5 (XINHUA) -- Carlos A. Mota Pinto, Portuguese deputy premier and defense minister, his wife and their party left here for Shanghai today. They were seen off at the airport by Kang Mingcai, commander of the Zhejiang Provincial Military Area. While in Hangzhou, Pinto and his party visited a silk tapestry factory and a tea production brigade and toured other places of interest. The Portuguese guests arrived in Hangzhou from Beijing yesterday.

Leaves Shanghai for Beijing

OW061539 Beijing XINHUA in English 1458 GMT 6 May 84

[Text] Shanghai, May 6 (XINHUA) -- Carlos A. Mota Pinto, Portuguese deputy prime minister and defense minister, and his party wound up their two-day visit here and left for Beijing today. In the company of Guo Tao, commander of the Shanghai Garrison of the Chinese People's Liberation Army, and Wang Yong, political commissar of a Navy unit of the PLA East China Fleet stationed in Shanghai, Carlos Pinto and other Portuguese guests visited a PLA Navy unit today. Deputy Prime Minster Pinto reviewed a guard of honor and mounted a docked naval vessel, on which he inspected its control cabin and bridge, and inquired about the vessel's property and military equipment.

The Portuguese guests also travelled to the Shanghai industrial exhibition and visited a rural commune on the city's outskirts today. Pinto and his wife arrived here from Hangzhou yesterday, and were guests of honor at a dinner hosted by Commander of the PLA Shanghai Garrison Guo Tao and his wife. Guo Tao said that Deputy Prime Minister Pinto's visit would help increase the relations between China and Portugal and the mutual understanding of the people of Portugal and Shanghai.

Pinto said that the friendship between Portugal and China was built on the basis of mutual respect for each other's independence and sovereignty, adding that he would continue his efforts to help expand bilateral friendship. After his speech, he presented Guo Tao with a bronze emblem of the Portuguese Defense Ministry as a souvenir for the people and army of Shanghai.

Meets Zhao Ziyang

OW071322 Beijing XINHUA in English 1317 GMT 7 May 84

[Text] Beijing, May 7 (XINHUA) -- Chinese Premier Zhao Ziyang met Carlos Alberto Da Mota Pinto, Portuguese deputy prime minister and defense minister, and his party here this afternoon. During the meeting, Zhao expressed his appreciation of Mota Pinto's contributions to the establishment and development of Sino-Portuguese relations. The Portuguese defense minister's China visit would help promote mutual understanding and further enhance bilateral relations, he added.

Mota Pinto said the Portuguese Government was willing to further develop relations between the two countries.

Premier Zhao also briefed Mota Pinto on China's foreign policy and exchanged views with him on the European situation.

Present at the meeting were Zhang Zhen, deputy chief of General Staff of the Chinese People's Liberation Army, and Portuguese Ambassador to China Antonio Leal da Costa Lobo.

Ends PRC Visit

OW080106 Beijing XINHUA in English 1634 GMT 7 May 84

[Text] Beijing, May 7 (XINHUA) -- Carlos A. Mota Pinto, Portuguese deputy prime minister and defense minister, and his party wound up their friendship visit to China and left here for home by air this evening. Zhang Zhen, deputy chief of General Staff of the Chinese People's Liberation Army and his wife went to the state guest house this evening to bid farewell to Pinto and his party.

Zhang Tong, director of the Foreign Affairs Bureau of the Chinese Ministry of National Defense, was among those seeing the guests off at the airport. Portuguese Ambassador to China Antonio Leal da Costa Lobo was also on hand.

Before leaving China, Pinto told XINHUA that Portugal and China established diplomatic relations in 1979, the year when he became the prime minister. He said that the purpose of his present visit to China was to expand bilateral friendly relations through direct contacts with Chinese leaders. He said he found through the visit that the two countries could enhance cooperation in the economic, trade, technical, cultural and sports fields. Pinto expressed his determination to do his share to promote bilateral cooperation.

This morning, the Portuguese guests visited Beijing University and a military academy.

DENG YINGCHAO CHAIRS CPPCC COMMITTEE MEETING

OW071251 Beijing XINHUA in English 1226 GMT 7 May 84

[Text] Beijing, May 7 (XINHUA) -- The agenda for the Second Plenary Session of the Sixth Chinese People's Political Consultative Conference scheduled to open on May 12 was approved this morning. Main items on the agenda which was passed by the Fifth Session of the Standing Committee of the CPPCC Sixth National Committee, are: A work report of the CPPCC Standing Committee, a report on handling motions submitted by members since the first session in June 1983, and appointment of new vice-chairmen and Standing Committee members.

Deng Yingchao, chairperson of the CPPCC National Committee, presided over today's meeting. Participants examined the Standing Committee's work report and the report on handling motions to be submitted to the National Committee meeting. The fifth session opened this morning and will continue until May 9.

RENMIN RIBAO EDITORIAL COMMEMORATES MAY 4TH MOVEMENT

HK071529 Beijing RENMIN RIBAO in Chinese 4 May 84 p 1

[Editorial: "Create a Still More Glorious Future -- In Commemoration of the 65th Anniversary of the May Fourth Movement"]

[Text] The torch of the May Fourth Movement has now been passed to the hands of contemporary youths after several generations of excellent Chinese sons and daughters. The young people of today shoulder heavy responsibilities for carrying forward the glorious tradition of the May Fourth Movement, for carrying on the revolutionary cause and forging ahead, and for writing glorious new chapters.

China is now in a very important historical period. We are now marching toward the general goal put forth at the 12th CPC National Congress, striving to achieve the target of quadrupling the annual industrial and agricultural output value by the end of the century, and doing our utmost to successfully fulfill the three great tasks in the 1980's. We are now facing the challenge of new technological revolution in the world. At the end of the century and in the beginning of the next century, the new technologies which have been achieved and are to be achieved will be applied to production and society, bringing about a new leap forward in social productive force and new economic and social changes accordingly. This is a challenge as well as an opportunity. If we firmly grasp the present favorable opportunity and take effective measures, we will catch up with economically developed countries; otherwise, we will lose the chance and the disparity between our country and others in economic and technological fields will be further expanded. We must have the future in mind, work hard, and meet the challenge of the times.

The young people of today shoulder the heavy responsibilities of charging forward in this great struggle. Only when youths are wise and strong, will the country be prosperous and strong. It is our basic policy to attach importance to training and tempering young people from the high strategic plane, to select and cultivate talented people, and to bring into full play their initiative and creativeness in building our motherland. The younger generation must set high aims and lofty aspirations, take up historical missions, earnestly study Marxism-Leninism-Mao Zedong Thought, study culture and science, arm themselves with the wealth of knowledge created by mankind, and be resolved to upgrade to the world's advanced level the prosperity of the state and the strengthening of the nation with their own hands, thus writing a new and brilliant chapter in the glorious history of the Chinese nation.

To meet the needs of the new situation and new task, we are carrying out reforms under leadership and step by step. Young people dare to carry out reform and blaze new trails, and have showed great enthusiasm and valuable creative spirit in the reforms in various fields. We must treasure and bring into full play this valuable spirit of young people, vigorously support them to stand in the forefront of reforms and guide them to take part in the great practice of building socialism with Chinese characteristics. This is good training and tempering for youths. At present, we must actively create conditions for more young people to join the ranks of reform and creation, promptly select outstanding youths to leading posts at various levels, give them real power and position, and let them give full play to their ability and ambition. Young people urgently seek new knowledge, are less influenced by old rules and conventions, and are in the prime of their life and energy. All these are favorable conditions. Old comrades should feel happy in having such successors to our cause and should support young people to take up new responsibilities.

The road of reform is uneven and inexperienced young people will meet more difficulties in carrying out reforms. Young people must have firm belief in the party, adhere to socialist orientation, adopt a scientific attitude of seeking truth from facts, and wage a heroic and tenacious struggle. CPC committees, governments, and CYL, trade union, and women's organizations at all levels must support the correct opinions and suggestions of young people, back them, and speak for them. It is permissible to make mistakes in carrying out reforms and we must constantly sum up experiences so as to go on fighting but must not demand perfection. If we stick to old ways, are obsequious, and act as yes-men, it will be impossible for us to create a new situation. We must encourage young people to reform the status quo with courage and insight and create a still more glorious future. The Chinese nation will become a powerful nation in the world and its hope lies in young people.

#### GUANGMING RIBAO STRESSES POLICY ON INTELLECTUALS

HK070953 Beijing GUANGMING RIBAO in Chinese 27 Apr 84 p 1

[Commentator's article: "Pay Serious Attention to Examining Results of Implementation of Policy Toward Medium-Sized and Small Enterprises' Intellectuals"]

[Text] At present, in checking conditions about the firm implementation of the policy toward intellectuals, many departments or areas have focused attention on large-sized industrial and mining enterprises, where there is a relatively large concentration of intellectuals. This is necessary and correct. But medium-sized enterprises, and small ones in particular, have often become "forgotten corners." This is quite improper. Recently, an engineer wrote to suggest that we must show greater concern over how the policy toward intellectuals is being implemented in medium-sized and small enterprises. The central leading comrades hold that this view calls for serious attention. It is demanded that the departments concerned should take realistic measures to solve the problems existing in the work arrangements for intellectuals there.

Medium-sized and small enterprises occupy a very important place in the national economy. Many new products and especially technically advanced ones have been accounted for by medium-sized and small enterprises. They represent an important front army in realizing the strategic goal of quadrupling output. As far as individual enterprises are concerned, the intellectuals there really represent a very small percentage. But as far as the whole country is concerned, medium-sized and small enterprises are scattered everywhere, employing intellectuals numbering several hundred million. They represent quite an impressive force. Giving full play to their role is of extremely great importance in accelerating the development of the national economy and carrying out modernization.

Generally speaking, common interests have caused some collectively owned enterprises, or medium-sized and small ones involved in the reform of systems on an experimental basis, to closely integrate workers, intellectuals, and cadres. Among them, intellectuals have played a relatively important role. Therefore, the policy toward intellectuals is carried out with relatively great thoroughness. In certain enterprises owned by the whole people, or some enterprises not subjected to reform, the situation is less satisfactory, as far as the implementation of the policy toward intellectuals is concerned. The intellectuals there always suffer more. There is little chance for an improvement in their working and living conditions. In their work, they are often put in a position of taking orders and working away, with no power to deal with technical problems. It is difficult for them to give full play to their proper role. Their workload is very heavy. There are also few chances for them to take up studies and improve themselves. In certain areas, scientific and technical information is so scarce that people are practically shut out of the world. It is all the more difficult for people so placed to improve their knowledge. This does not help their personal advancement, or the development of the enterprises concerned.

Especially in medium-sized and small enterprises, there is of course no lack of leading cadres like Chen Xiuyun, who show respect, concern, and care for intellectuals. But for various reasons, the leading cadres of a small number of medium-sized and small enterprises have a relatively low level of knowledge, have relatively deep prejudices against intellectuals, and know relatively little about the policy toward intellectuals. They are often in the habit of insisting that what they personally say, goes. In these units, science is often treated as something fallacious. Technical personnel's correct opinions are often suppressed and discriminated against. Cases of excluding technical personnel happen relatively frequently. There are also often cases of launching vengeful counterattacks. This is an important reason why the policy toward intellectuals has not been firmly carried out in medium-sized and small enterprises.

Therefore, in checking how the policy toward intellectuals is being carried out, all areas and departments must put emphasis on finding out how things are, in medium-sized and small enterprises. Those cases involving intellectuals being trounced and suppressed must be seriously investigated and handled. Among the leading cadres of medium-sized and small enterprises, we must continuously carry out education in the party's policy toward intellectuals, so that they can really show care and concern for the intellectuals of the units concerned and give full play to their role. We must try to promote fine intellectuals to leadership posts in medium-sized and small enterprises and vest them with proper authority. In a word, through investigation and study, we must work out several rules, giving full play to the role of intellectuals in medium-sized and small enterprises and making arrangements for our treatment of them in regard to the political field and their work and remuneration. Of course, fundamentally speaking, only by carrying out reforms can we better carry out the policy toward intellectuals. This is because reform calls for respecting knowledge and science and for the better development of the intellectuals' role.

#### ZHANG AIPING COMMENTS ON NATIONAL DEFENSE RESEARCH

0W080348 Beijing XINHUA Domestic Service in Chinese 1556 GMT 4 May 84

[Text] Beijing, 4 May (XINHUA) -- Zhang Aiping, state councillor and defense minister, said: The departments of science, technology and industry for national defense should base themselves on what they have achieved, work harder, explore, forge ahead, closely attend to scientific research, and improve product quality.

Zhang Aiping spoke separately on doing a good job in scientific research and improving product quality at a meeting with participants at a Beijing rally to celebrate the successful launching of China's experimental communications satellite and, earlier, at a conference of cadres of the departments of science, technology and industry for national defense on 3 May. He said: Scientific research should be given priority. Without scientific and technological research, it is impossible to modernize national defense, and speed up the improvement and development of weapons and armaments. Therefore, it is necessary to define and enhance the role of scientific and technological commissions at all levels. All preliminary research and design projects should first be carefully assessed by experts from scientific and technological commissions before being submitted to the leadership of administrative organs for a decision. Scientific and technological management departments should make final arrangements for the implementation of the projects.

Zhang Aiping said that a rigorous system of job responsibility, and a strict and impartial system of reward and punishment should be instituted for scientific research and production. Regulations on the general designer's system, and the administrative control and command system, recently issued by the State Council and the Central Military Commission, should be strictly enforced. Leaders, scientists, technicians, workers, and service personnel should all perform their own work, shoulder their own responsibilities, and exercise their own powers. He continued: Many comrades within our ranks have contributed their share to the revitalization of the motherland and the development of national defense, even sacrificing their own lives for this purpose. Comrades, who have made contributions, should be credited and rewarded.

Zhang Aiping said: The most important thing in doing scientific research and improving product quality is for every comrade to have a high level of political consciousness. We should enable all comrades to consciously foster a sense of responsibility towards serving national defense construction, and to earnestly accomplish their tasks. We cannot count on the system of inspection alone, while failing to strengthen ideological and political work. He also urged the departments of science, technology and industry for national defense to do a good job in cultural and educational work, raise the level of scientific and general knowledge, so that every comrade in the departments of science, technology and industry for national defense would have a high level of literacy, rich knowledge in science and technology, as well as lofty moral qualities.

#### ORDNANCE INDUSTRY GIVEN PRIORITY IN STEEL ORDERS

HK080255 Beijing JINGJI RIBAO in Chinese 26 Apr 84 p 1

[Report: "Priority Is Given to the Ordnance Industry in Placing Orders for Special Steel Products This Year"]

[Text] In order to ensure the supply of special steel products to the ordnance industry, the State Bureau of Materials and Equipment and the Ministry of Metallurgical Industry have decided that priority will once again be given to the ordnance industry from this year in placing orders for special steel products. At the meeting on placing orders for special steel products by the ordnance industry in mid-April, many iron and steel plants were very active in assuming tasks for producing special steel for the ordnance industry in the form of contracts.

In 1983, the country's iron and steel industry successfully filled orders placed by the ordnance industry and took the initiative in accepting orders for new special steel products used for scientific research and production for national defense. Contracts for orders of ordinary steel products by the ordnance industry were executed up to 98.5 percent while 945 contracts or agreements to supply new metallurgical materials to the ordnance industry were fulfilled by 100 percent.

The country's iron and steel plants attached importance to educating workers and staff members to foster the idea of making contributions to modernization of national defense and working hard strictly in accordance with contracts. The 11 enterprises Anshan Iron and Steel Works, Chongqing Iron and Steel Works, Taiyuan Iron and Steel Works, Benqi Iron and Steel Works, Shoudou Iron and Steel Works, Qiqihaer Iron and Steel Works, Chongqing Special Steel Mill, Changchun Iron and Steel Works, Guizhou Iron and Steel Works, Hunan Iron and Steel Works, and Shizuzi Iron and Steel Works, filled all orders for 5 years in succession. An other nine enterprises, including Wuhan Iron and Steel Works, also executed all orders in 3 or 4 consecutive years. Early this year, a military project needed certain kinds of special steel products very badly. Some iron and steel enterprises worked out plans only in 2 days and fulfilled the task by the end of March. In addition to this, some other iron and steel enterprises also spared no efforts to turn out some kinds of special steel products to meet the needs of consumers in time.

#### PLA PUBLICIZES ZHEJIANG MILITARY EDUCATION PLAN

OW080638 Beijing XINHUA Domestic Service in Chinese 0258 GMT 5 May 84

[By reporter Liu Donggeng]

[Excerpts] Nanjing, 5 May (XINHUA) -- With the support of the Zhejiang Provincial CPC Committee and the provincial government, the Zhejiang Provincial Military District has had college level education for PLA cadres incorporated in the local higher education plan. This has opened a new road for developing PLA units' cultural and educational undertakings. The PLA General Political Department recently transmitted to the whole army a report made by the Zhejiang Provincial Military District on its cadre education and called on all PLA units with comparable conditions to use the military district's experience as reference to promote their cadres' secondary and higher education with still better results by making active contacts with and winning the support of the local authorities.

In answer to the request by the Zhejiang Provincial Military District, the concerned departments and institutions of higher learning in Zhejiang Province have decided, after studying the matter, that beginning from this year, part of the quota for entrance examination applicants to the party and government cadres' specialty courses run by higher institutions in Zhejiang will be assigned to the provincial Military District. The PLA applicants will take the unified examination held by the localities; if they pass the examination they will be accepted and will attend classes under the same enrollment arrangements as for the local students. Upon completion of assigned courses, they will be issued college diplomas by the institutions they have enrolled in if they pass the test. Currently, there are 140 young cadres at and under the regiment level in the Zhejiang Provincial Military District who are stepping up their studies in preparation for the college entrance examination.

#### EDITORIAL URGES INDUSTRY TO AID DEFENSE MODERNIZATION

HK070942 Beijing JINGJI RIBAO in Chinese 26 Apr 84 p 1

[Editorial: "Civil Industrial Departments Should Make New Contributions to Modernization of National Defense"]

[Text] Our civil industrial departments always shoulder two important tasks for the modernization of our national defense: 1) To directly undertake tasks for the production of some military equipment; and 2) to provide various kinds of necessary accessory products and various kinds of raw materials for the national defense scientific, technological, and industrial departments in order to facilitate their development and production of military products.

All the magnificent achievements that our country has achieved in developing its national defense since its founding are partially owing to the hard work of the vast number of scientific and technological workers and staff and workers in the scientific, technological, and industrial sectors throughout the nation. At present, the modernization of our national defense urgently demands the substitution of a new generation of products for the old ones and thus needs a large supply of new types of accessory products and raw materials. This requires all our civil industrial departments to earnestly adopt effective measures to vigorously strengthen their scientific research work and speed up the progress of technology in order to satisfy the demand for the substitution of a new generation of military equipment for the old one.

First, we should adhere to the principle of "giving priority to military products" and "putting the quality of military products first" and earnestly ensure that the tasks for the production of various kinds of military products be fulfilled both in terms of quantities and quality and according to schedule. Some of the tasks for the production of military products involves like production of a large variety of products in small batches. They yield small profits or even cause losses. We should make distinctions between different conditions, formulate concrete methods for assessment and management on the basis of summing up our experiences and thus rationally solve these problems.

Second, we should make an overall plan and arrangements. All the tasks assigned to civil industrial departments for the scientific research into, trial production, and production of military equipment, accessory products, and raw materials should be regarded as tasks of mandatory plans. All the various kinds of conditions for the fulfillment of these tasks should be written, in accordance with the existing management system, into the plans for production, scientific research, finance, provision of materials and goods, development of new products, technological transformation and capital construction for various enterprises and areas. In carrying out technological transformation, the production enterprises should plan and arrange their production of military and civil products in an all-round manner. The transformation of the existing military products production process should be satisfactorily arranged in the light of the demand for the development of military products.

Third, we should strengthen our work in standardizing and generalizing our raw materials, organize the work of transferring military production raw materials to civil production and transferring new civil raw materials to military production and thus expand the batch production of new materials and strive to lower costs.

Fourth, we should strengthen our leadership. All the areas and departments should conscientiously implement the principle of combining military production with civil production and combining peace-time production with war-time production. They should strengthen their leadership in organizing military industrial production and establish, in the light of the work situation, special or concurrent administrative organizations to carefully plan, organize, and manage the fulfillment of military industrial production tasks and promptly solve the problems that will crop up in their actual work. We must be prepared for danger in times of peace and thus avert perils. In the new historical period, our civil industrial departments should carry on their fine tradition of the 1950's and 1960's in supporting military industry and continuously make contributions to the modernization of our national defense.

#### ZHANG TINGFA VISITS GUANGZHOU, TALKS BORDER DEFENSE

HK050516 Guangzhou YANGCHENG WANBAO in Chinese 27 Apr 84 p 1

[Report by contributing correspondent Chen Shiji: "Zhang Tingfa Reviews Guangzhou PLA Air Force in Spite of Rain"]

[Text] At 1600 yesterday, Zhang Tingfa, member of the CPC Central Committee Political Bureau and commander of the Air Force, reviewed the PLA Air Force organs and army stationed in the Guangzhou area in spite of rain.

He did not wear a raincoat or take an umbrella. Yu Zhenwu, commander of the Guangzhou PLA Air Force; Liu Feng, political commissar; Ren Qiu, adviser; and other Standing Committee members were in the front row of the procession for the review. Before that, Zhang Tingfa also visited some units, organs, schools, and hospitals of the Guangzhou PLA Air Force. He examined the work there and reviewed troops. Zhang Tingfa spoke highly of the troops he reviewed, saying that they are highly disciplined and full of vigor and have high morale.

The main purpose of Zhang Tingfa in coming to the south this time is to examine how the Guangzhou Air Force has studied and implemented General Secretary Hu Yaobang's important speech made when he inspected work and troops during the Spring Festival. Zhang Tingfa was very glad to see that some PLA units and schools have achieved a rapid development over the past 3 months.

After reviewing the troops yesterday, Zhang Tingfa made a speech. He pointed out that at present, our country is faced with the serious provocation of the Vietnamese regional hegemonists. Being on the frontline, the Guangzhou PLA Air Force is shouldering heavy tasks entrusted by the party and the people. They are at glorious posts and have a grave responsibility. He required that they continue to implement Hu Yaobang's important speech made during the Spring Festival, resolutely maintain a high degree of unanimity with the CPC Central Committee in the ideological and political fields, take the concern of the party and the people as powerful motivation in defending the motherland's construction of the four modernizations, and further step up combat readiness and heighten vigilance. If the enemy dares to invade us, we will resolutely strike back at them and wipe them out.

#### CITIES TO TEST ENTERPRISE MANAGEMENT PLAN

HK071549 Beijing JINGJI RIBAO in Chinese 26 Apr 84 p 1

[Report: "The System of Offering Greater Decisionmaking Power to Factory Directors Is Being Tested in Six Cities"]

[Text] On 25 April, the reporter learned from sources of the State Economic Commission that the state will carry out pilot schemes for expanding the enterprises' management power through introducing the factory director responsibility system in six large cities, namely, Dalian, Changzhou, Beijing, Tianjin, Shanghai, and Shenyang. In Dalian and Changzhou, these pilot schemes will be carried out in all enterprises; and in the other four cities, the pilot schemes will be carried out in a number of selected enterprises. Similar pilot schemes may also be carried out in some selected enterprises in other provinces, municipalities, and autonomous regions so as to explore more experience in this regard.

Responsible people of the State Economic Commission pointed out: Carrying out pilot schemes for giving more management power to enterprises through the adoption of the factory director responsibility system in a number of selected enterprises is an idea put forward by the CPC central leadership and the State Council with a view to resolving the problem that enterprise leaders do not have sufficient authority to deal with management matters, to expanding the decisionmaking power of the enterprises in their own operation, and to enlivening their production and operation.

Enterprises which are authorized to carry out such pilot schemes must be those which have accomplished enterprise consolidation and have passed acceptance tests, which have competent leading bodies, and which are conducting production under normal conditions. The municipal people's governments of these cities will decide how many enterprises are to be selected for the pilot schemes, which will be carried out with other measures for expanding enterprise management power.

RATIONAL MOBILITY OF SCIENTISTS, TECHNOLOGISTS URGED

OW071025 Beijing XINHUA Domestic Service in Chinese 0811 GMT 3 May 84

[Excerpts] Beijing, 3 May (XINHUA) -- Experimental implementation has now begun throughout the country of several regulations on ensuring rational mobility of scientific and technological personnel promulgated by the State Council. The regulations clearly point out that, in order to fulfill key state construction projects and solve major scientific and technological problems, rejuvenate the economy and realize the four modernizations, it is imperative to make some proper readjustments in the distribution and structure of the existing scientific and technological contingent and improve the management and employment of scientific and technological personnel.

The regulations were promulgated in the latter half of last year for implementation on a trial basis. The State Council called on all localities to formulate concrete implementation methods in accordance with the regulations. The State Council regulations point out that it is necessary to urge scientific and technological personnel, in a planned and step-by-step manner, to move in a rational direction, namely, from urban areas to rural areas, from large cities to small cities, from the hinterland to remote areas and from departments and units with ample scientific and technological personnel to departments and units with a weak scientific and technological force and an urgent need to be reinforced.

1. To ensure the fulfillment of key state construction projects, all responsible departments of the State Council, provinces, municipalities and autonomous regions should make unified arrangements and carry out careful selection of responsible technological personnel (chief engineers) for the various key projects. Candidates for backbone technological squads can be nominated by responsible technological personnel and examined and determined by their superiors.
2. The State Council departments, provinces, municipalities and autonomous regions, based on the needs of national economic construction and of scientific and technological development, should strengthen the task of ensuring technological reform at enterprises and of solving scientific and technological problems; reinforce the scientific and technological forces at weak links; formulate plans for readjusting the scientific and technological contingents in their respective departments and localities; and organize implementation of the regulations in a planned way.
3. Besides the planned reassignment by the higher-level departments concerned, medium- and small-sized cities and units and localities with weak scientific and technological forces may recruit supplementary scientific and technological personnel from large cities and from departments and localities with ample scientific and technological personnel through their respective organizations. The remuneration of personnel employed at local financial expense shall be determined by the provinces and autonomous regions themselves.
4. Scientific and technological personnel who come from urban areas to rural areas, or from the hinterland to remote areas, may retain their original residence registration in urban areas, as well as those of their families.
5. The State Council departments concerned, provinces, municipalities and autonomous regions may carry out periodic rotations of scientific and technological personnel who work in support of rural and remote areas while retaining their posts in their original units.

6. Remote provinces and autonomous regions should specify the proper preferential treatment given to scientific and technological personnel who come to work in their localities and encourage them to stay there permanently and contribute more to the construction of the border areas.
7. Recruitment of scientific and technological personnel from departments and localities by units operating on a system of collective ownership must be approved by these departments and localities.
8. Scientific and technological personnel whose knowledge and specialities are not needed in their work, or whose role cannot be brought into play, should be rearranged in a rational manner by their respective units or by the higher-level department in charge.
9. Based on the principle of maintaining a reasonable size in personnel management, all scientific research and designing units as well as institutions of higher learning should have a fixed number of staff members, and gradually work out the limits of the number of staff members of all categories and the percentage of staff members holding various positions.
10. Retirement and resignation systems should be implemented for scientific and technological personnel.
11. With the approval of the unit at the higher level, scientific research and designing units under the administration of the various departments of the State Council, provinces, municipalities, autonomous regions and various institutions of higher learning may employ scientific and technical personnel and other staff members on an experimental basis.
12. In principle, university graduates and intermediate specialized school graduates should be assigned to grassroots-level units to reinforce first the forefront of production, scientific research and teaching work, under a probation system and for a certain period.

FORMER KMT COMMANDER'S WIDOW DIES IN HONG KONG

OW080103 Beijing XINHUA in English 1638 GMT 7 May 84

[Text] Hong Kong, May 7 (XINHUA) -- Cao Xiuqing, member of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), died of illness in Hong Kong on May first at the age of 81. Cao Xiuqing was widow of former vice-commander of the Kuomintang Headquarters in Xuzhou Du Yuming who was captured by the People's Liberation Army in the Huaihai campaign in 1949 and later pardoned in 1959. Du died in 1981. During her illness, Deputy Secretary General of the CPPCC National Committee Cheng Siyuan made a special trip to Hong Kong from Beijing to see her on behalf of Chairman of the CPPCC National Committee Deng Yingchao. The ashes of Cao Xiuqing will be carried by her daughter Du Zhili to Beijing shortly to be placed along with that of her husband at the Babaoshan Cemetery for Revolutionaries. A memorial meeting will be held for her in Beijing.

Deng Yingchao Sends Wreath

OW080550 Beijing XINHUA Domestic Service in Chinese 1602 GMT 7 May 84

[Text] Hong Kong, 7 May (XINHUA) -- Cao Xiuqing, widow of Du Yuming and member of the CPPCC National Committee, died in Hong Kong on 1 May at the age of 81.

When Cao Xiuqing was ill in Hong Kong, Cheng Siyuan, deputy secretary general of the CPPCC National Committee, made a special trip to Hong Kong to see her and comfort her family members on behalf of the CPPCC National Committee and Chairman Deng Yingchao. Xu Jiatun and Qi Feng, director and deputy director respectively of the Hong Kong Branch of the XINHUA NEWS AGENCY, as well as Fei Yimin, director of TA KUNG PAO, and his wife have also paid visits to her. Cao Xiuqing's family members held a home memorial service for her on the morning of 7 May. Wreaths were sent by the CPPCC National Committee, the CPC Central Committee's United Front Work Department, Deng Yingchao, Xi Zhongxun, Yang Jingren, Cheng Zihua, Qian Changzhao, Dong Qiwu, Zhou Peiyuan, Qu Wu, Wang Guangying, Peng Youjin, Yang Zhengmin, Cheng Siyuan, Xu Jiatun, Fei Yimin, Li Zisong, Wang Kuancheng, An Zijie, Ma Lin, Chen Yaohua and NPC deputies and CPPCC Committee members in Hong Kong.

Attending the memorial service were Xu Jiatun, director of the Hong Kong Branch of the XINHUA NEWS AGENCY; Cao Weilian, Qi Feng and Li Chuwen, deputy directors of the Hong Kong Branch of the XINHUA NEWS AGENCY; Cheng Siyuan, deputy secretary general of the CPPCC National Committee; NPC deputies and CPPCC Committee members in Hong Kong; as well as Cao Xiuqing's friends and relatives in Hong Kong. Cao Xiuqing's ashes will be carried by her eldest daughter Du Zhili to Beijing shortly to be placed along with those of Dr. Yuming at the Babaoshan Cemetery for Revolutionaries.

#### FUNDS ALLOCATED FOR PROTECTION OF HISTORICAL RELICS

OW071335 Beijing XINHUA in English 1137 GMT 7 May 84

[Text] Beijing, May 7 (XINHUA) -- China has in recent years allocated more than 110 million yuan (about 55 million U.S. dollars) to repair ancient buildings and grottoes and protect archeological sites and ancient tombs, according to the National Conference on Protection of Cultural Relics which closed here today. Major projects include Buddhist grottoes on Mount Maiji and at Dunhuang in Gansu Province, cliff sculptures at Dazu in Sichuan Province, the imperial palace in Shenyang, watchtowers in Beijing, the city walls of Xian, three pagodas at Dali in Yunnan Province, as well as the site of the Tang Dynasty (618-907) Daming Palace in Xian, murals from a tomb of the Northern Qi Dynasty (550-577) in Taiyuan and a tomb of the Northern Song Dynasty (960-1127) in Luoyang.

To improve protection, China passed a law on protection of cultural relics in 1982 and conducted a nationwide general survey of antiquities. One-third of the provinces in the country have completed the survey and many valuable relics have been found. According to incomplete statistics, about 60,000 ancient cultural sites have been newly discovered. The general antiquities survey will be completed next year. China will soon announce a third list of 300 major sites under state protection and a second list of cultural-historical cities. In 1961 and 1982, 242 sites were put under state protection, and 24 cities, including Beijing and Xian, were designated cultural-historical cities. In enforcing the law on protection of cultural relics against saboteurs and smugglers of relics, public security officers in Beijing, Shanghai and Guangdong recovered more than 16,000 smuggled antiques in 1983. Last year, the cultural relics departments excavated more than 300 ancient sites, including the tomb of the second ruler of the Nanyue State which existed during the early Western Han Dynasty (206 BC - 25 AD) in Guangzhou.

The Bureau of Archeological Data and Museums of the Ministry of Culture has worked out a series of regulations on management of major protected sites, excavation of ancient sites and tombs, renovation of ancient buildings and grottoes and field archeology. The 707 local cultural relics management organizations play an important role in protection.

### Deng Liqun on Relics

OW080623 Beijing XINHUA Domestic Service in Chinese 1203 GMT 6 May 84

[By reporter Li Guangru]

[Text] Beijing, 6 May (XINHUA) -- Addressing the National Conference on Cultural Relics today, Deng Liqun, member of the CPC Central Committee's Secretariat and director of the CPC Central Committee's Propaganda Department, said: Protecting cultural relics is an important responsibility placed on us by history. We should strive to create favorable conditions for cultural relics and capital construction work, and to enhance the role of the work on cultural relics and museums in building the "two civilizations."

The National Conference on Cultural Relics, which was jointly held by the CPC Central Committee's Propaganda Department and the Culture Ministry, and was the largest of its kind since the founding of the PRC, opened in Beijing on 30 April. At Zhongnanhai this morning, Wang Zhen, Deng Liqun, Zhou Gucheng, Liu Lantao, Zhu Muzhi, and other leading comrades had a cordial meeting with more than 300 representatives attending the conference, and posed with them for pictures. In his speech, Deng Liqun first extended his regards to comrades engaged in the work on cultural relics and museums, praising them for their outstanding achievements in building the "two civilizations" in China. He said: Since the founding of New China, cultural relics' and museum workers have actively engaged in excavation, systematization, research, exhibition, and other work, thereby arousing the people's patriotic fervor self-confidence in the Chinese nation, and promotion of world understanding of China. Our country has thus acquired the reputation for being a nation with abundant cultural relics.

He noted that despite rapid development in cultural relics and museum work, massive tasks still remain, especially in the area of properly handling the relationship between cultural relics work and capital construction. He said: In the course of construction, we must open mines, repair roads, build factories, and erect houses, and will come across cultural relics on the surface of the earth or beneath it. We cannot afford to stop construction for fear of damaging cultural relics. But we should also protect cultural relics in the course of construction. Many of our world-famous archaeological finds, since the founding of New China, were made in the course of building capital construction projects. They were then sorted out and excavated by cultural relics and archaeological departments. The fact is, construction has not been affected, but the motherland's ancient civilization has been protected and enabled to shine through. Capital construction and cultural relics protection are beneficial to the people as a whole. Cultural relics are concrete evidence of the Chinese nation's historical development, and are unique articles, which cannot be reproduced. History entrusts us with the responsibility to protect these national treasures carefully.

Deng Liqun emphasized that in the course of protecting cultural relics, cultural relics and museum workers should remember to "willingly accept responsibility, argue strongly on just grounds, and exercise care in their work."

They should not hastily excavate important buried cultural relics, when conditions for excavating and protecting these relics are not yet suitable. They should not permit the slightest damage to excavated cultural relics already in our hands. In cultural relics research, we should be able to score internationally recognized important achievements. We would fail in our duty to our ancestors and posterity if we did not. In his speech he noted that cultural relics and museum work is highly professional. Party and government leadership at all levels should respect and modestly seek expert advice. He hoped all society would show concern for, and attach importance to, cultural relics and museum work, to widen the people's vision, deepen their thoughts, and arouse their ardent love for the motherland, and the tremendous enthusiasm to devote themselves to the four modernizations.

XI ZHONGXUN, OTHERS BID FINAL FAREWELL TO COMRADE

OW050215 Beijing XINHUA Domestic Service in Chinese 1435 GMT 4 May 84

[Excerpt] Beijing, 4 May (XINHUA) -- Comrade Zhang Yibai, an outstanding CPC member, loyal communist fighter and Standing Committee member of the CPPCC National Committee, died of illness in Beijing on 9 April at the age of 79. Party and government leaders, responsible persons of departments concerned and Comrade Zhang Yibai's good friends, totaling some 300, visited Beijing Hospital to bid farewell to Comrade Zhang Yibai's remains.

Comrades Hu Yaobang, Deng Xiaoping, Li Xiannian, Chen Yun and Deng Yingchao sent wreaths.

Those who went to the hospital to bid farewell to Comrade Zhang Yibai were Xi Zhongxun, Deng Liqun, Wang Ping, Wang Shoudao, Liu Lantao, Song Shilun, Cheng Zihua, Liao Hansheng, Song Ping, Yang Jingren, Hu Ziang, Qian Changzhao, Zhou Peiyuan and Qu Wu. In accordance with the wish of Comrade Zhang Yibai and his family, the funeral will be simple and there will be no memorial meeting for him.

HU QIAOMU, OTHERS HONOR SCULPTOR LIU KAIQU

OW080102 Beijing XINHUA in English 1454 GMT 7 May 84

[Text] Beijing, May 7(XINHUA -- Liu Kaiqu, one of China's early teachers of modern sculpture, was honored here today at a party celebrating the 60th anniversary of his career as an artist. The 80-year-old professor, who studied in France from 1928 to 1933, created a large number of works depicting the revolutionary struggle and life of the Chinese people. His most famous project was the reliefs on China's National Monument to the People's Heroes, which stands on Tiananmen Square in Beijing. His other creations include statues or reliefs of Dr Sun Yat-sen, Mao Zedong, Zhou Enlai, Marx, Engels, Lenin and Stalin.

Liu is now member of the Standing Committee of the Chinese People's Political Consultative Conference National Committee, vice-chairman of Chinese Artists Association, curator of the China Art Gallery and head of the national urban sculpture planning group. Among more than 300 participants at today's party were Hu Qiaomu, member of the Political Bureau of the Communist Party Central Committee and Zhu Muzhi, minister of culture.

GUANGMING RIBAO ON COMMODITY PRODUCTION, PLANNED ECONOMY

HK071514 Beijing GUANGMING RIBAO in Chinese 22 Apr 84 p 3

[Article by Wu Shuqing: "The System of Planning and the Socialist Commodity Production"]

[Text] When Marx and Engels expounded on the necessity for a socialist planned economy, they generally regarded as conditions for a planned economy a high degree of socialization of production, ownership of the means of production by the people, the withering away of commodity production, and the emergence of the phenomena that the labor of every worker directly becomes a part of the general labor of society. However, in the actual socialist economy in our country, there not only still exist commodity production and exchange, but we must also vigorously develop socialist commodity production and exchange. This situation cannot but have an impact on the form of the realization of the planned economy and has a bearing on the reform in our planning system.

Some comrades think that since our country's planned economy is carried out under the conditions of the widespread existence of commodity production and exchange, the economic relations between our enterprises can only be realized through commodity and currency relations. Therefore, the direction of the reform in our planning system is to gradually reduce the scope and finally abolish the mandatory plans and finally let our enterprises become independent commodity producers, while the state will readjust the national economy mainly through factors of value such as prices, taxation, and credit. This view is correct in confirming the necessity for effective utilization of commodity and currency relations in our country's socialist planned economy, but the actual conclusion drawn from this view is open to question.

In studying the question of how the existence of commodity production affects socialist economy and restricts the reform in our planning system, we naturally need to grasp the general characteristics and law of movement of commodity production. However, it is obviously far from enough to have only knowledge about the general characters of all commodity production. What is even more necessary is to make a scientific analysis, on a scientific basis, of the special characters of socialist commodity production, and thus be clear about its influence on the planned economy.

Socialist commodity production is a commodity production established on the basis of socialist public ownership. On the one hand, it has the innate property of all commodity production and has to obey the law of all commodity production. On the other hand, it also has the innate properties of socialist production and has to be dominated by the specific economic law of socialism. Analyzing the nature and characteristics of a socialist commodity production precisely means the making of a comprehensive analysis of the way the property and law in these two aspects govern its economic activities.

As a kind of commodity production, socialist commodity production embodies, like all commodity production, a kind of economic relation which is a relation of mutual exchange of labor on the basis of the difference and contradictions between various economic entities. What is prominent in this economic relation is not its generality and identity of economic interests, but its special and contradictory nature. It is precisely because of the difference and contradiction in their economic interests that these entities are regarded as commodity producers by one another. Just as Marx said, this is a kind "of relation whereby each regards the other as an outsider." ("Collected Works of Marx and Engels" Vol 23, p 105) Precisely because of this, the aim of commodity production is inevitably the special interests of the commodity producers as economic entities.

In view of the inherent nature of commodity production, it is impossible for it to spontaneously give rise to the goal of socialist production, a goal to satisfy the daily increasing material and cultural demand of the whole society. At the same time, because the all-round relationships between commodity producers determined by social division of labor is established on the basis of the mutual separation and contradiction in their economic relations, the economic relations between these commodity producers can only take shape spontaneously, outside the direct process of production and in the market. This means that in essence, commodity production and the planned nature of social production exclude each other. Because of a shortage of an identity of interests, it is impossible to see the emergency of a unified goal or will, therefore, an objective foundation of the readjustment of their production by unified plans does not exist.

The above-mentioned property of commodity production that is characterized in socialist commodity production means in the final analysis that we must recognize the specific interest of various economic entities. This kind of relation of interests will inevitably play its role as a kind of objective economic force in all economic activities. The reason why a highly centralized economic management system must be reformed is because it, in fact, denies the special interests of various economic units and thus conflicts with the objectively existing commodity relations. Recognizing socialist production as commodity production means that we should recognize the special interest of the various economic entities and make the reform in our planning system meet the demand.

This feature of socialist commodity production as a commodity production is only a feature that determines its nature and characteristics. If we merely emphasize this feature, we cannot sufficiently understand all its features. As a kind of commodity production that operates on the basis of public ownership, the nature and characteristics of socialist commodity production cannot help but be restricted and influenced by socialist public ownership. This has not only made it radically different from the capitalist or small commodity production established on private ownership, but also changed its nature as a commodity production through the influence of the public ownership and thus began the transition from commodity production to product production. The most important special feature of socialist commodity production is this transitional nature.

This kind of transitional nature of socialist commodity production is first shown in the fact that in this kind of commodity production there has emerged an identity and generality of economic interests between different economic units, an identity and generality which has never emerged in any other kind of commodity production in history. Originally, identity and generality of economic interests ran counter to the property of commodity production. However, because socialist commodity production is established on the basis of public ownership, various units of commodity production exist first as enterprises of public ownership. Their relations are first relations of different enterprises of the same public ownership. Therefore, there emerge unified social interests between them and thus the identity of their fundamental interests emerges. So, in socialist commodity production, the force that links the various economic units together and causes them to have relations with one another is no longer merely their selfish special interests, but first is the identity of their fundamental interests that has taken shape on the basis of the public ownership. This shows that the innate property of commodity production itself has already begun to fade away and a special feature of product production has already emerged, while its characteristic in producing products as commodities is preserved. It is precisely because of this dual property of socialist commodity production of simultaneously being commodity production and product production is the economic relation that this kind of commodity production reflects is neither purely a relationship of differences and contradictions between the interests of different owners, nor a pure relationship of mutual aid and cooperation based on an identity of fundamental interests.

It is a combination of the two relationships, namely, a kind of relationship between producers who have different special interests on the basis of identical fundamental interests.

This kind of identity of fundamental interests unique to socialist commodity production also determines all its economic activities, and no longer merely obeys the economic entities' own special interests. The pursuing of an economic entity's own interests is no longer the only impetus for socialist commodity production, though it is still an important impetus. At the same time, the identity of fundamental interests caused by public ownership of the means of production has given rise to a new economic impetus, namely the impetus to do the best, to fully satisfy the demand of all laborers who are the common owners of the means of production. Like the identity and generality of economic interests, this new economic impetus did not originate from the property of commodity production. Its existence also shows that this kind of commodity production is no longer commodity production in a full sense, but has already possessed the characteristic of the transition from commodity production to product production.

This is precisely because under the restriction of public ownership, socialist commodity begins the process of transition from commodity production in full sense to product production. Therefore, commodity production is no longer incompatible with the planned nature of the entire social production. The labor of producers begins to have a considerable degree of direct social nature, because this kind of special commodity production embodies the identity of the overall interests under a public ownership which has given rise to a new economic motivation for satisfying the requirements of all laborers. As a result, it is no longer necessary for them to realize their economic relations through the market, and these relations can be fixed by the plan formulated beforehand by society. The objective basis on which this kind of planned management form -- the mandatory plan -- relies on to exist, is precisely this kind of direct social nature of labor and the form of economic link which reflects this nature. Therefore, the special transitional nature of socialist commodity production provides conditions for organizing production by mandatory plans. Of course, it is still necessary for the social nature of labor to be finally manifested and proved in the market exchange, because the socialist commodity production still has the subordinate nature of commodity production and demands respecting and safeguarding the special interests of producers. Thus, even though the mandatory plans are carried out, we must consciously apply the law of value to guarantee the realization of partial and local interests. After all, this greatly differs from the commodity production in its full sense which fundamentally excludes the unified social interests and simply pursues its special interests. If we fail to see the property of commodity production in socialist production and only regard commodity production as a form without substantial content, we will undoubtedly hold a kind of lopsided view; but while affirming the property of commodity production and the emergence of the property of products production, our view will also be lopsided. People with either the former or the latter views will not correctly understand the distinguishing features of socialist commodity production and thus they cannot correctly understand its role in restricting the reform on our planning system.

In short, socialist commodity production is a kind of special commodity production. Its peculiarity is manifested, in a concentrated manner, in simultaneously embodying the unified interests of the society and the special interests of various economic units. As a result, it has the dual nature of commodity and product production and is a kind of transitional commodity production. In our actual economic life, this kind of peculiarity can be classified, in light of different proportional relations between two kinds of interests in it, into different levels with different degrees of a transitional nature. Generally, in a commodity production with ownership by the people, particularly the production of a commodity that circulates inside an economic system owned by the people, because the means of production belong to all people, the proportion of the fundamental interests that are identical for all enterprises is of a comparatively big proportion.

When the special interests of various units are harmed because they clash with the overall interests of the society, they may be compensated by relying on the society's complete strength, and their basic material interests will not be harmed. As a result there is a comparatively great reduction in the property of commodity production and the full manifestation of the transitional nature. In the exchange of commodities between the economic sectors of two kinds of socialist public ownership, when an enterprise's special interests are harmed because they clash with the overall interests, they cannot be directly compensated by the society from its complete financial strength, because the means of production belong to different owners. As a result, the economic demand for safeguarding an enterprise's own special interests is comparatively strong and the property of commodity production is naturally greater than that of the production of a commodity that circulates inside an economic system by the people. However, compared with the commodity production under collective ownership, there exists the identity of interests, because the overall interests of the enterprises owned by the people generally embody the fundamental interests of the collectively-owned enterprises.

As a result, there is already a reduction in the property of commodity production. As for the production of the commodity inside the collectively-owned economic sector, it will keep nearly all property of commodity production. This is because between the producers in these commodities, there is a comparatively evident disparity and there are contradictions in their interests and the identity of economic interests them is considerably small and the process of its realization is full of twists and turns. Therefore, it is absolutely impossible to compensate for their losses when their partial and local interests are harmed.

The transitional nature of socialist commodity production and its complicated structure with different levels are closely related to the different levels in the present stage of socialist public ownership. In the final analysis, they are determined by uneven development of productive force at the present stage. The reform in our planning system must be adapted in an all-round manner, to this kind of transitional nature and the different levels of socialist commodity production.

#### COMBINE LENIN'S 'KEY LINKS,' 'SYSTEMS' VIEWPOINT

HK080237 Beijing GUANGMING RIBAO in Chinese 23 Apr 84 p 3

[Article by Shi Meiheng: "Lenin's Theory in Grasping a Key Link, and Its Development in China" -- capitalized passages published in boldface]

[Text] Grasping a key link in order to bring along the whole chain was an extremely well-known thesis put forth by Lenin. This viewpoint was put forth by Lenin for the first time in his article entitled "What Is To Be Done?" in 1902, He said: "The whole of political life is like an endless chain with numerous links. All the skill of a statesman lies in discovering and firmly grasping the link in the whole chain that it is most difficult to take from his hands, that is at present most important, and that can best ensure his control of the entire chain." ("Collected Works of Lenin," Vol 5, p 473) Later, in 1918, in his article entitled "Current Tasks for Soviet State Power," and in his "Political Report of the Central Committee of the Russian Communist Party (Bolsheviks)," in 1922, he reiterated this viewpoint. Lenin thought that this "key link" existed objectively in political events and political life, was an inherent part of the objective world, and was by no means something that people can subjectively determine to regard as such and grasp at will. Moreover, this "key link" develops and changes and a statesman should always be ready to steadily transfer from one link to another in light of changes in the objective situation. Undoubtedly, in these expositions, Lenin adhered to the unity between materialism and dialectics.

In Lenin's articles, the concepts such as "key link," "special link," "basic link," "most important link," "key issue," and "key," all mean the same thing. For example, he said that in 1917, the key for Russia was to get rid of the war and sign a peace treaty with Germany; in 1919 and 1920, the key was the war of resistance to smash the combined attack of imperialists and domestic counterrevolutionaries; the key in 1921 was to retreat, to abolish military communism, and to implement the new economic policies; and the key in 1922 was to select talented people. It was precisely because Lenin correctly grasped, in light of the developments in the objective situation, the key link that was of decisive significance to the entire event, and promptly moved, in light of changes in the objective situation, from one link to another, that he vigorously ensured that the struggle of the October Revolution and the series of struggle following it could achieve magnificent victories.

After Lenin died in 1924, Stalin inherited Lenin's viewpoint on focusing all strength on grasping the whole chain. In his articles, such as "On the Foundation of Leninism" and "On the Shortcomings in Our Party's Work and the Method To Wipe Out Trotskyist Double-Dealers," he time and again expounded on this theory of Lenin's and further applied it to Soviet socialist economic construction. For example, in 1933, in his article entitled "A Summing-up of the First 5-Year Plan," Stalin said: "In order to realize this kind of magnificent plan, we should never blindly grasp everything. In order to realize this kind of plan, we must first discover the basic link of the plan, because only heavy industry can transform and vitalize the whole of industry, the transportation undertaking, and agriculture. In realizing the 5-year plan, we must start from heavy industry." ("Collected Works of Stalin," Vol 13, p 160) This was the well-known Soviet pattern of starting from heavy industry in realizing industrialization.

However, practice has told us that Stalin failed to achieve successes in applying Lenin's theory on grasping one key link to bring along the whole chain to Soviet socialist economic construction. What he did resulted in the one-sided development of heavy industry and the failure to pay attention to the development of light industry and agriculture. This gave rise to a dislocation in Soviet national economy. This dislocation was revealed in the process of the implementation of the First 5-Year Plan. According to Soviet statistics published in 1934, by 1933, Soviet industry had increased by 300 percent over that before World War I, but the key sectors of agriculture increased much more slowly than industry and animal husbandry decreased. According to the 1937 statistics, Soviet industry had increased by 700 percent over that before World War I, but the growth rate of its agriculture was many times smaller than that of industry and its animal husbandry was below the prewar level. In Stalin's lifetime, the Soviet Union never solved the problem relating to the dislocation of its national economy. In 1956, when Comrade Mao Zedong talked about the proportional relationship between our country's agriculture and light and heavy industries in his article entitled "On the 10 Major Relationships," he mentioned Soviet malpractice in its socialist construction and pointed out: "They paid one-sided attention to heavy industry and neglected agriculture and light industry. As a result, goods were in short supply in their market and their currency was unstable."

Practice has roused in people's minds the following question: Why did Lenin succeed in applying his theory on grasping a key link to bring along the entire chain in his practice while Stalin suffered setbacks by applying the same theory?

Lenin said: "Any truth, if overdone (in the same manner as Joseph Dietzgen pointed out) and exaggerated and if it applied to a sphere beyond the scope of its application, will produce absurd results.

"In such circumstances, it is even inevitable that extremely absurd results will be produced." ("Collected Works of Lenin," Vol 33, p 267) Judging by the circumstances at the time when Lenin put forth his theory on grasping a key link to bring along the whole chain, we see that THIS THEORY WAS FIRST PUT FORTH IN THE SPHERE OF "POLITICAL STRUGGLE" AND "POLITICAL LIFE," AND IS A KIND OF SKILL AND STRATEGY IN STRUGGLE FOR A STATESMAN. Both the exposition in Lenin's "What Is To Be Done?" which we have cited at the beginning of our article and the "Political Report of the Central Committee of the Russian Communist Party (Bolshevik)" in 1922 expounded on things in the sphere of political struggle. Lenin said: "Political incidents are often very complicated and interrelated. They are like a chain. If you wish to grasp the whole chain, you must grasp the key link." ("Collected Works of Lenin," Vol 33, p 267) IN ADDITION, LENIN ALSO USED THIS THEORY TO SHOW THE CHANGES IN THE TASKS OF REVOLUTION OR CONSTRUCTION. For example, in 1918 in his "Current Tasks for Soviet State Power," he said: "At present . . . this link is the enlivening of commerce at home under the correct regulations (guidance) of the state," and commerce was the "link that had to be grasped with all the strength" in the chain of historical events. This shows that IN THE PROCESS OF THE DEVELOPMENT OF HISTORICAL EVENTS, THERE IS ONLY ONE LINK THAT IS IN A "MAJOR" OR KEY POSITION, OR THAT WHEN A CERTAIN NEW TASK BECOMES PROMINENT AND CONSTITUTES THE KEY LINK THAT DETERMINES THE DEVELOPMENT OF THE WHOLE SITUATION, GRASPING THIS KEY LINK WILL ENABLE US TO BRING ALONG THE WHOLE CHAIN. If this theory is applied beyond this scope and if we generalize this theory without making analysis as Stalin did and mechanically apply it to the sphere of economic construction, we will find that it will not work.

In fact, even Lenin himself did not think that one could bring along the whole chain by grasping only the "key link" in doing everything. Practice has told us that not all objective things are of a "chain" structure. When Engels described the complicated nature of objective things, he once used the concept of "system" or "relations of a system," and held that complicated things were a system and an integrated whole formed by various kinds of mutually linked elements. He said: "The whole of nature that we are faced with forms a system, that is, an integrated whole of various kinds of mutually linked things." ("Natural Dialectics," p 54) "The understanding that all processes in nature are contained in a mutually linked system has urged science to prove everywhere this kind of systematic linking, from specific parts and from the whole." ("Anti-Duhring" pp 33-34) Obviously, regarding the structure of objective things as a three-dimensional and dynamic system is of more universal significance than regarding it as a linear "chain" structure.

According to this viewpoint of Engels, I am of the opinion that our country's current method of socialist modernization, namely, the theory on grasping one or several links on the basis of striking an overall balance is a further creative development of Lenin's theory on grasping one key link to bring along the whole chain. The characteristic of our theory lies in the fact that when we analyze problems, we should faithfully regard objective things as forming a system. The movement of things is the result of interactions of the various internal factors (various internal contradictions) in things and the operation on each other of the various external relationships (various external contradictions) between various things. Therefore, in considering problems, analyzing contradictions, and solving problems, we should not only persist in mastering and analyzing, with a viewpoint of all-round relations and movement, the various internal factors that constitute the thing that we are studying and the sum of the mutual links and relations between these factors, but should also grasp and analyze, with the viewpoint of all-round relations and movement, the sum of all the links and relations between this thing and other things. We should not only master and measure, in an all-round manner, the position and role of these internal and external links and relations, persist in applying the viewpoint of systems to view the whole situation in an all-round manner, satisfactorily strike an overall balance, and thus create conditions for the overall development of things, but should also grasp, in the light of the actual conditions of the actual things, and regard as keys to our work the factors that play a decisive role in the process of the development of the thing because of their inherent or other various reasons.

This means ADHERING TO THE UNITY BETWEEN SYSTEMATIC RELATIONS AND BASIC LINKS AND THE UNITY BETWEEN THE THEORY OF OVERALL BALANCE AND THEORY ON KEY LINKS. From this, we can see that in the complicated process of economic construction, we do not generally deny the necessity of grasping the key link, and we only oppose the tendency that regards the issue of key links as simple and unitary.

For example, during the past few years, we have acted in this manner in carrying out our economic construction.

1. In view of what is contained in our economic construction, the various internal elements that constitute our economic construction are mutually related and interact. This means the two major production sectors of the society are mutually related and interact and so do the various sectors of our national economy. Starting from this viewpoint, in carrying out the construction, our party has paid attention to taking account of both the past and the future and of the whole situation, and has rationally fixed the proportional relations between agriculture and industry, among agriculture, forestry, animal husbandry, sideline undertakings, and fishery, between light and heavy industries, between coal, petroleum, and power industries and other industries, between bones and flesh (between industry and housing, communications, commerce, and other service trades), between accumulation and consumption, and between economy and culture and education, science, and public health services, and has thus satisfactorily struck an overall balance. At the same time, we should proceed from our country's actual reality and take into consideration the facts that agriculture is the foundation of our national economy, that energy and communications are the weakest links restricting the development of our entire national economy at present, and that science and technology are the key to the four modernizations. Thus we should regard them as the strategic keys to our economic construction. Satisfactorily grasping these strategic keys on the basis of satisfactorily striking an overall balance precisely means adhering to the unity between the systematic relations of the national economy and the basic links and to the unity between the theory on overall balance and that on key links. Just as Comrade Hu Yaobang pointed out in his report to the 12th CPC National Congress: From the viewpoint of the overall situation, "in the coming 20 years, we must firmly grasp the fundamental links of agriculture, energy, communications, education, and science, regard them as the strategic key to our economic development, and solve, on the basis of striking an overall balance, the problems related to them. By so doing, we will be able to promote relatively quick growth in our consumer goods production and bring along the development of the whole of industry and other sectors of production and construction. We will also ensure an improvement in our people's livelihood." Practice has proven that this argument of Comrade Hu Yaobang's is entirely correct.

2. In considering the links and relations between the economic construction and other matters, that is, the external links and relations of economic construction, our party has not only mastered and analyzed in an all-round manner the relations between economic construction and production, superstructure, development of national defense, foreign economies, class struggle, political democracy, and spiritual civilization, but also has made great efforts to satisfactorily grasp among these relations the basic link of decisive significance for the overall situation of our economic construction. Our experiences have told us that in order to enable the economic construction to be smoothly carried out, we should lay stress on satisfactorily solving, in its external links and relations, the relations between economic construction and production, superstructure, class struggle, spiritual civilization, and the problem of party style. This is because the question of whether or not we can solve satisfactorily these few relations has a bearing on the overall situation of economic construction and on success and failure in our country's socialist modernizations. Therefore, we must carry out satisfactorily the four major tasks which have been put forth by Comrade Deng Xiaoping, namely carrying out reforms in our organizations and economic system; establishing socialist spiritual civilization; cracking down on the criminal activities in the economic and other fields that undermine socialism; and rectifying our party style and consolidating party organizations.

The fulfillment of these tasks will become four fundamental guarantees for the smooth development of the economic construction in our country and will also constitute four fundamental external conditions that will ensure a successful development.

SOLAR ENERGY CORPORATION SET UP IN GANSU

OW080803 Beijing XINHUA in English 0656 GMT 8 May 84

[Text] Lanzhou, May 8 (XINHUA) -- China's first corporation specializing in solar energy development and utilization has been inaugurated in Lanzhou, capital of Gansu Province.

The China Western Solar Energy Corporation will be mainly responsible for developing the solar energy industry especially in the western provinces and regions of Gansu, Xinjiang, Tibet and Qinghai with long hours of sunshines all year round.

The corporation will collect and distribute information about solar energy industry in the world and arrange scientific and technical cooperation with foreign countries in exploiting solar energy resources.

One of the sponsors of the corporation, the Research Institute of Natural Energy under the Gansu Provincial Academy of Sciences, has in the past few years undertaken development, design and production of solar energy appliances including solar energy heaters and stoves.

JIANGSU'S HAN PEIXIN ATTENDS MAY 4TH MEETING

OW050621 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 3 May 84

[Excerpt] More than 3,000 youths from various circles in both the province and Nanjing City attended a meeting at the Hall of the People in Nanjing this afternoon to commemorate the 65th anniversary of the great May 4th Movement and to joyously celebrate May 4th Youth Day.

Present at the meeting were Han Peixin, Zhou Ze, Sun Jiazheng, Xue Keying, (Zhang Yuxiang), Xu Zhi, Liu Ping, and other leading comrades, as well as responsible comrades from the departments concerned.

The commemoration meeting was presided over by Ji Yunshi, secretary of the provincial CYL Committee. Zhou Ze, deputy secretary of the provincial party committee, spoke at the meeting.

JIANGXI MEETING ELECTS BAI DONGCAI TO PRESIDIUM

OW050439 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 3 May 84

[Text] A preparatory meeting for the Second Session of the Sixth Jiangxi Provincial People's Congress was held this afternoon at the Bayi Auditorium in Nanchang. The meeting adopted an agenda for the congress session and elected the presidium and secretaries general. Ma Jikong, chairman of the Standing Committee of the Sixth Provincial People's Congress, presided at the meeting.

The meeting first adopted an agenda for the congress session. Among the items on the agenda are: 1) Hear, discuss, and adopt a report on the work of the Jiangxi Provincial People's Government delivered by Governor Zhao Zengyi; 2) hear, discuss, and adopt a report on the arrangements of the province's 1984 economic and social development plan delivered by (Wang Ying), director of the Jiangxi Provincial Planning Commission; 3) hear, discuss, and adopt a report on the province's 1983 final accounts and 1984 budget delivered by (Li Jianfei), director of the Jiangxi Provincial Financial Department; 4) discuss and adopt a report on the work of the Standing Committee of the Jiangxi Provincial People's Congress delivered by Wang Zemin, vice chairman and concurrently secretary general of the Standing Committee of the Sixth Provincial People's Congress; 5) discuss and adopt a report on the work of the Jiangxi Provincial Higher People's Court, delivered by its president Liu Bin, and a report on the work of the Jiangxi Provincial People's Procuratorate delivered by its chief procurator Chen Keguang; 6) discuss and adopt a decision to redesignate the various commissions affiliated to the Jiangxi Provincial People's Congress Standing Committee as a special commission of the Jiangxi Provincial People's Congress; and 7) hold elections.

The meeting also adopted namelists of the session's presidium and secretaries general, and the election and resolutions for the voting procedures for the Second Session of the Sixth Jiangxi Provincial People's Congress.

After the meeting the Presidium of the congress session held its first meeting. Bai Dongcai, Ma Jikong, Xu Qin, Zhao Zengyi, Wang Shufeng, Wang Zemin, Zhang Yuqing, Xie Xianghuang, Xin Jungie, Zhang Guozhen, Zheng Xiaoxian, and Huang Xiandu were elected permanent chairmen of the Presidium. (Tian Conglu), (Zheng Tiefen), and (Hu Dezhu) were elected deputy secretaries general of the congress session. The Presidium meeting also adopted the namelist of those to be invited to sit in on the session, the session's schedule, and a draft resolution on redesignating the various commissions as a special commission of the provincial People's Congress. The meeting decided that the deadline for motions is 2200 on 6 May.

SHANDONG MEETING ON COLLECTIVE ECONOMY OPENS

SK050337 Jinan Shandong Provincial Service in Mandarin 2300 GMT 4 May 84

[Text] On the morning of 4 May, sponsored by the provincial CPC Committee and the government, the provincial meeting on developing collective and individual economy to provide jobs for unemployed urban youths opened at the auditorium of the Jinan Nanjiao Guest House.

Attending the meeting were responsible comrades from various prefectures, cities, counties, and districts; responsible comrades from various provincial level relevant departments; four large enterprises; the Jinan PLA units and the provincial military district; and representatives of theoretical and press workers and of advanced collectives and individuals who have made outstanding achievements in developing the urban collective and individual economy; a total of some 440 persons. The meeting was chaired by Deputy Governor Ma Lianli and was addressed by Deputy Governor Liu Peng.

On behalf of the provincial CPC Committee and the government, Deputy Governor Liu Peng extended warm greetings to all advanced representatives from the province's urban collective and individual economic front.

In his speech Comrade Liu Peng said: Vigorously developing the collective and individual economy is the CPC Central Committee's important long-term policy adopted in line with China's state conditions and the needs of making the country and the people prosperous, of satisfying the people's material and cultural lives, and of building a socialist road with Chinese characteristics. The CPC committees and governments at all levels should attend to this work as an important economic strategic task.

Comrade Liu Peng said: The main task of this meeting is to further implement the spirit of the national meeting to commend the advanced in developing the collective and individual economy to provide jobs for the jobless urban youths, conscientiously study and implement the directives of the central leading comrades, sum up and exchange our province's experiences, commend the advanced, study and formulate policies and measures for developing the urban collective and individual economy to provide jobs for the urban youths, promote a sound development in the collective and individual economy, and enable it to play a greater role in the socialist modernization construction.

SHANDONG CIRCULAR VIEWS RECRUITING INTELLECTUALS

SK080736 Jinan DAZHONG RIBAO in Chinese 24 Apr 84 p 1

[Excerpts] In order to conscientiously implement the policy towards intellectuals and consciously solve the problems and difficulties of intellectuals in joining the party, the Organization Department of the provincial CPC Committee recently issued a special circular urging all local party organizations to do further the work of recruiting intellectuals and secondary technical school teachers into the party.

The circular notes: Since the 3d Plenary Session of the 11th CPC Central Committee, all localities have paid great attention to recruiting intellectuals into the party. However, party organizations of some localities and units still pay little attention to the work, thus failing to take favorable measures to recruit intellectuals into the party. Therefore, the problems and difficulties that intellectuals have in joining the party have not been completely solved. Institutions of higher learning and secondary professional and technical schools are still weak in recruiting students into the party. Only a minority of students are party members. This situation does not comply with the four modernizations.

The circular urges party organizations at all levels across the province to conscientiously study the directives of the central authority on recruiting intellectuals into the party, to upgrade understanding, to seek unity of thinking, to further eliminate the leftist influence, and to get rid of the wrong idea of despising intellectuals. We should show warm concern about their political progress. We should take a historical point of view on their family background, social problems, and general political and historical problems. We should specifically analyze their shortcomings and weaknesses, and make efforts to educate and support them. The circular concludes: Party organizations at all levels should include the issue of recruiting excellent intellectuals into the party as main items on the agenda, and conscientiously strengthen their leadership over the work. Units having more intellectuals should select a responsible comrade to take charge of the work. All college and secondary technical schools should launch and attend to the work of recruiting party members among students on a regular basis. In line with actual conditions, all localities and departments should work out plans for recruiting party members, adopt effective measures, conscientiously implement the work, and pay attention to exchanging experiences in the work.

SHANGHAI'S WANG DAOHAN ATTENDS SCIENCE MEETING

OW041135 Shanghai City Service in Mandarin 1100 GMT 2 May 84

[Excerpts] The municipal science and technology work conference opened at the Shanghai Gymnasium this afternoon. Attending the conference were over 15,000 people, including leading comrades of the municipal CPC Committee, the municipal People's Congress Standing Committee, the municipal government, and the municipal CPPCC Committee, Wang Daohan, Ruan Chongwu, Chen Tiedi, Sun Guizhang, Wu Bangguo, Zhang Dinghong, Huang Ju, Di Jingxiang, Zhu Zhongbao, Li Zhaoji, Liu Zhenyuan, Ni Tianzeng, Yang Kai, Yang Shifa, Xu Yifang, and Ye Shuhua, as well as Yan Dongsheng, vice president of the Chinese Academy of Sciences, and other noted scientists in Shanghai.

Vice Mayor Li Zhaoji presided over the conference. Vice Mayor Liu Zhenyuan delivered a report entitled: "Accelerate the Development of Science and Technology To Meet the New Challenges." In his report, Vice Mayor Liu reviewed the city's scientific and technological work over the past 3 years and the current situation, founded the city's strategic goals in scientific and technological development during the Seventh 5-Year Plan period, and outlined the major tasks for this year and next. He said: Shanghai is currently making efforts to build three scientific and technological research and experimental bases, five technological development centers, and five joint scientific and technological research projects. In economic work we must shift our focus to improving economic returns by relying on progress in science and technology. The various trades and professions must carry out the various policies for developing science and technology and make progress in various aspects. The leaders at various levels must pay attention to new world scientific and technological developments, study modern scientific and technological management work, master modern management skills, and raise the level of scientific and technological work. We must constantly study new situations, sum up new experiences, and blaze new trials in the spirit of boldly making investigations and innovations.

In light of the research, predictions, and discussions by experts of various fields, the conference proposed the strategic goals, priorities, and principal tasks for scientific and technological development during the Seventh 5-Year Plan period. The strategic goals are: To vigorously enhance the capability for scientific and technological development; develop the major new technologies; modernize equipment and management; build a scientific and technological consulting service and information network; and step up basic research in solid physics, molecular biology, and chemistry, in order to score achievements that match advanced international standards.

Key industries must strive to reach the level of advanced industrial nations in the early 1980's in production technology and equipment. We must also vigorously develop new technologies, build and develop new industries such as microelectronics and optical fibers, revamp conventional industries, enhance economic strength, and develop related technologies for solving housing and environmental protection problems. We must develop advanced technologies in order to build Shanghai into a new city with a rational urban layout, convenient communications, and a sanitary environment, and achieve the grand goal of revitalizing the economy in the next decade and quadrupling the gross annual industrial and agricultural output value by the year 2000.

SHANGHAI OFFICIAL ON OVERSEAS CHINESE POLICY

OW080217 Shanghai JIEFANG RIBAO in Chinese 29 Apr 84 p 1

[Text] Zhang Chengzong, director of the United Front Work Department of the Shanghai Municipal CPC Committee, conveyed the guidelines of the Third National Overseas Chinese Congress to the Shanghai Municipal Federation of Returned Overseas Chinese yesterday. He said: The Federation of Returned Overseas Chinese is a mass organization uniting and keeping contacts under the party leadership with returned Overseas Chinese, families of Overseas Chinese, and Chinese nationals residing overseas. The Federation of Returned Overseas Chinese should be accorded the same treatment as other mass organizations, such as trade unions, the CYL, the Women's Federation, and the Association for Science and Technology. The party committees at all levels should be firmly concerned about and support the work of the Federation of Returned Overseas Chinese, and should bring into full play its positive role in socialist modernization and the motherland's reunification. He added: In the last several years, the party Central Committee has resolutely corrected "left" mistakes in Overseas Chinese affairs, set clear and definite principles and policies concerning Overseas Chinese affairs in the new period, and brought about the best situation for Overseas Chinese affairs since the founding of the People's Republic. While we are further implementing the policy of opening to the outside world, it is even more important to do a good job in Overseas Chinese affairs. In order to create a new situation in Overseas Chinese affairs, the party Central Committee recently issued a series of important instructions on Overseas Chinese affairs regarding the guiding precepts for them, their importance, tasks, principles and policies, and the training of Overseas Chinese affairs workers.

After affirming the great achievements by Shanghai Municipality in Overseas Chinese affairs in the last few years, Zhang Chengzong said: Currently, the primary resistance to Shanghai's implementation of the policies concerning Overseas Chinese affairs remains the residual pernicious "leftist" influence. Discrimination and ostracism against intellectuals, who are returned Overseas Chinese, or their relatives, happen from time to time. In some units, some comrades even regard the implementation of Overseas Chinese policies as a right deviation. In particular, some cadres think that people with overseas connections have a complex personal background, and that, although they can be used, they cannot be trusted nor be assigned to important positions. This thinking is extremely wrong. He urged the party organizations and the departments concerned at all levels to resolutely overcome the influence of "leftist" thinking, strive to remove "leftist" interference, and do away with bureaucracy. He asked them to display a maximum spirit of dealing with concrete matters relating to work, and a maximum courage to further implement the party's policies concerning Overseas Chinese affairs, and conscientiously carry out the policy of "according equal treatment without discrimination, and giving appropriate preferential treatment in special situations."

Dong Yinchu, chairman of the municipal Federation of Returned Overseas Chinese, presided over yesterday's meeting. Over 1,000 people attended the meeting. They included returned Overseas Chinese and relatives of Overseas Chinese, and the responsible people from the municipal Overseas Chinese Affairs Office.

GUANGZHOU CALLS FOR FURTHER OPENING TO OUTSIDE

HK070922 Guangzhou GUANGZHOU RIBAO in Chinese 22 Apr 84 p 1

[Report by Deng Guoxiang: "Take Action; Be Well Prepared To Further Open Guangzhou's Door"]

[Text] "Responsible comrades from all units must take the meeting of conveying the spirit of the forum on the development of some coastal cities as a mobilization meeting. They must immediately take action and be well prepared for further opening Guangzhou's door so as to greet the appearance of a new situation." This was the call of Xu Shijie, secretary of the city CPC Committee, when he conveyed the spirit of the forum on the development of some inland cities at a report meeting held by the city CPC Committee on the morning of 21 April. Nearly 1,000 cadres at and above the district and bureau levels attended yesterday's report meeting. On behalf of the city CPC Committee, Xu Shijie made arrangements for implementation of the forum spirit.

Xu Shijie noted: At present, a number of cadres working in Guangzhou still fail to fully understand the significance of the important central policy decision on opening more coastal cities to foreign investors, and the decision has not yet adequately captured their attention. Some CPC committees have taken the matter seriously, but some have not yet. It is necessary to place due stress on the problem. Guangzhou is going to further open its door and is prepared to establish economic development zones. This is a matter of great importance to the city. Now the 14 coastal cities that the party Central Committee has decided to open to foreign investors are making every effort to display their favorable conditions. Guangzhou City must be immediately moved into action and all units must increase their preparatory work to carry out the central policy decision and to develop the excellent situation.

Xu Shijie called on leading cadres at all levels to conscientiously study the forum spirit and to emancipate their minds so as to catch up with the situation. Xu Shijie said: If we fail to emancipate our minds and to improve our work style, and if we are still accustomed to "leftist" conventions and low work efficiency, then we can hardly exercise the power that the party Central Committee has conferred upon us and keep pace with the situation. It is therefore essential for us to wipe out pernicious "leftist" influences, not to hold fast to the established ways of doing things, not to be conceited and arrogant, and to give up the attitude in work of "the less trouble the better." In carrying out economic activities with foreign countries, we should in no way dispute trifles and bring troubles onto ourselves. We should not find fault and gossip about people behind their backs, but should say less and do more and take quick action.

Speaking about how to make preparations for the implementation of the central policy decision, Xu Shijie especially called for quickened steps in reforms. He said: Absorbing foreign funds and advanced technology and equipment must be linked with reforms. In carrying out reforms: 1) We must disrupt the system that leads to disputes over trifles; 2) as the party Central Committee has granted more power to Guangzhou City, the city CPC Committee and government should also transfer the same amount of power to districts and bureaus; 3) a number of enterprises will be given more power; 4) capital construction units should reform the wage system and resolutely establish the contract responsibility system by calling for tenders for all projects in the economic development zone; 5) the system of small state-run enterprises must be reformed and their business should be promoted in varied forms; for example, the enterprises can be run in the form of sole state ownership by paying taxes and assuming sole responsibility for their profits or losses, or, in the form of collective ownership, by paying taxes and assuming sole responsibility for their profits or losses after turning over contracting charges to the higher authorities, and trade services that give priority to labor can be delegated to individual workers for management;

6) a flexible wage system must be established step by step in enterprises; and 7) the procedures for approving projects built with foreign funds must be improved.

Xu Shijie said: Steps must be quickened in transforming old enterprises in the old city proper. All units must make further efforts to strengthen ties with foreign investors, and to import advanced technology and equipment with foreign capital so as to expedite technical transformation in old enterprises. Plans for establishing economic development zones should be promptly submitted to the higher authorities after they are certified by experts. The economic development zones can be built into new satellite cities with very dense modern factories surrounded with greenery.

He said: In the Guangzhou area there are a large number of scientific research institutes and universities and colleges, and most of them are subordinate to the central authorities or the province. They eagerly hope to accomplish something in the economic development and technical progress of Guangzhou City. The city's enterprises and units must spare no efforts to work in cooperation with these scientific research institutes and institutions of higher learning in the development of scientific research and technical progress and the promotion of new products.

#### HAINAN ISLAND RECEIVES CONSTRUCTION, GROWTH AID

HK070852 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 7 May 84

[Text] After the announcement of the decision by the CPC Central Committee and the State Council on speeding up the exploitation and construction of Hainan Island, people from all parts of the country have come to Hainan to support such actions.

Nearly 30 ministries, commissions, and offices of the central government have dispatched engineering and technological personnel to Hainan to conduct investigations and research, to help formulate plans for developing and building Hainan, to earnestly carry out priority projects, and to render assistance in human, material, and financial resources.

Relevant units and enterprises from Heilongjiang, Jilin, Jiangsu, Zhejiang, Guangxi, Shanghai, and Tianjin have successively dispatched people to Hainan Island to carry out technological cooperation in the rubber industry, electronics industry, and light industry.

By the end of last year about 5,000 people with lofty ideals from 28 provinces, municipalities, and an autonomous region throughout the country, except for Xizang, had requested to go to Hainan Island to take part in the construction.

All localities within Guangdong Province have also paid great attention to the work of supporting the development of Hainan. Many responsible comrades from the provincial CPC Committee have come to Hainan Island to conduct inspections and examinations and to give guidance. All industrial departments in the province have dispatched to Hainan Island a great number of factory managers and technicians with professional skills who have abundant experience in business management, in order to help resolve various difficult problems.

The decision of the central leadership has also drawn attention from people outside the country. There has been an increasing number of Overseas Chinese, Hong Kong and Macao compatriots, and foreign businessmen who have come to Hainan to hold business talks. Last year a total of 198 people from 12 countries and areas came to Hainan to hold business talks.

Last year Overseas Chinese and Hong Kong and Macao compatriots contributed nearly 10 million yuan to Hainan, doubling or quadrupling figures from previous years.

GUAN GUANGFU AT HUBEI SCIENCE, TECHNOLOGY MEETING

HK080544 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 7 May 84

[Text] In his report delivered at the provincial science and technology conference this morning, Comrade Guan Guangfu, secretary of provincial CPC Committee, called for further implementing the strategic principle proposed by the CPC Central Committee that economic construction should rely on science and technology, and science and technology should be geared to the needs of economic construction so as to invigorate Hubei's economy and strive to make Hubei rank in the forefront of the all-round building of the four modernizations.

Comrade Guan Guangfu said: The 12th CPC National Congress has set science and technology as one of the priorities. The Fourth CPC Provincial Congress held last year also set forth the fighting objective that Hubei must rank in the forefront of the all-round building of the four modernizations. What should we rely on to attain this objective? We should rely on policies and science. At present, understanding that the problem of economic invigoration should rely on science and technology must be lifted onto an entirely new plane. This is a matter related to whether or not we can adhere to the basic principle of Marxism, whether or not we can remain in political and ideological unity with the CPC Central Committee, and whether or not Hubei can march to the forefront of the building of the four modernizations.

Comrade Guan Guangfu continued: While leading scientific and technological work and organizing production, the leading organs of the party and government at all levels should try by all means to bring about scientific and technological achievements and convert them into direct productive forces and into economic results as quickly as possible. Our emphasis on doing the conversion work well contains an important guideline; that is, the starting point of Hubei's scientific and technological progress should be the import and assimilation of domestic and foreign advanced technology. We must make strenuous efforts in doing the conversion work well and firmly grasp implementation of this work. Through the conversion work we must strive to bring about more products, higher speed, better quality and economic results, and more talented people. It is necessary to strengthen scientific and technological work on the front line of industrial and agricultural production. We must formulate policies and encourage enterprises to carry out scientific research, develop new products, and apply new technologies and techniques.

Comrade Guan Guangfu pointed out: We must be resolute in reforming the scientific research system and must enliven the work of scientific research units. In doing well in the reform of Hubei's scientific and technological work, we must pay attention to work in the following five aspects:

1. It is necessary to reform the system concerning the utilization of the scientific research outlay and to implement the contract system and the principle of royalties that link scientific research with economic results. On this basis we must enable the scientific research units to be economically independent and to assume sole responsibility for their profits and losses.
2. It is necessary to support the scientific and technological units, extend their financial power, and enable them to become economically independent within a short period of time.
3. It is necessary to establish the system of directors and section heads holding responsibility.

4. It is necessary to reform the management system of scientific and technological cadres and gradually implement forms that can promote the mobility of talented people.
5. It is necessary to reform the work of the overall management departments of science and technology.

Comrade Guan Guangfu stressed: Party committees and governments at all levels should strengthen leadership over scientific and technological work. This is the key to all problems. We must enhance the work of scientific commissions and extend their powers so that they can genuinely become overall management departments for the scientific and technological work of the whole province. We must enhance the horizontal connections and coordinated development of the planning, economic, and scientific commissions. We must integrate scientific and technological work with economic work and turn them into an organic whole so they can develop in a coordinated manner. We must strive to improve the conditions of scientific and technological work, further implement the policies on intellectuals, arouse all the positive factors that are favorable to the invigoration of Hubei's scientific and technological progress, make contributions to the creation of a new situation, and use practical deeds and outstanding achievements to greet the 35th anniversary of the founding of the PRC.

#### HUNAN CPC COMMITTEE MEETS NONPARTY PEOPLE

HK270735 Changsha Hunan Provincial Service in Mandarin 1100 GMT 24 Apr 84

[Excerpts] On 18 and 19 April the Hunan Provincial CPC Committee held a meeting with people outside the party, earnestly listening to suggestions put forth by friends outside the party on party rectification in the province and criticism of the provincial CPC Committee. A total of 24 people from all democratic parties and various circles attended the meeting.

Mao Zhiyong, first secretary of the provincial CPC Committee; and Xiong Qingquan, Jiao Linyi, and Liu Zhen, secretaries of the provincial CPC Committee, presided over the meeting and delivered speeches. All Standing Committee members of the provincial CPC Committee now in Hunan attended the meeting and listened to the speeches.

Zhang Qilong and Zhou Li, members of the Central Advisory Commission; (Zhang Haifeng), head of the liaison group dispatched by the Central Commission for Guiding Party Rectification; Cheng Xingling, chairman of the provincial CPPCC Committee; and responsible people from all relevant provincial departments attended the meeting. With a strong sense of responsibility toward the party and the people of Hubei Province, the friends outside the party sincerely and practically raised many valuable points and made criticism of the provincial CPC Committee.

In their speeches, Mao Zhiyong, Xiong Qingquan, Jiao Linyi, and Liu Zhen fully affirmed the suggestions and opinions raised by the friends outside the party. They said: At the meeting, you comrades outside the party showed your sincerity and freely aired your views. All your views and suggestions are very pertinent and valuable. This indicates that you friends outside the party are very much concerned with the development of party rectification and economic construction in Hunan, and also fully indicates that the friends outside the party and our party are sincere toward each and share both honor and disgrace. This also indicates that the cooperation between party members and comrades outside the party has entered a new stage in our province.

At the meeting, provincial CPC Committee Secretary Xiong Qingquan promptly made known his position on behalf of the provincial CPC Committee and decided to resolve problems in nine fields. They are:

Further perfect the political consultation system and strengthen the propaganda of the theory and policies of the united front work. Further implement various policies of the united front work and earnestly resolve the problem concerning people outside the party reading documents. Properly carry out the building of united front work organizations in universities and colleges. Appoint regional liaison personnel for political consultation work. Resolve the problem of the house of the provincial industrialists' and businessmen's association at No 60 (Huanxi) Lane, Changsha, as soon as possible. [words indistinct] Expand the office building of the provincial CPPCC. Make preparations for the restoration of the college on education in socialism and build it into a special place for cultivating and training people outside the party. Improve working conditions for all democratic parties, industrialists' and businessman's federations, Overseas Chinese associations, Taiwan compatriot associations, and religious organizations.

Cheng Xingling, chairman of the provincial CPPCC Committee, and representatives from all democratic parties and the industrialists' and businessmen's association successively delivered speeches at the meeting.

#### COUNTY, TOWNSHIP DEPUTIES ELECTED IN HUNAN

HK031026 Changsha Hunan Provincial Service in Mandarin 1100 GMT 2 May 84

[Text] The election of new deputies to people's congresses at the county and township levels of our province concluded successfully at the end of April covering 123 units at the county level and more than 3,000 townships and towns.

Compared with previous congresses, results of the election show that the composition of the newly elected deputies to people's congresses at the county and township levels has changed. There has been a sharp increase in deputies who are young and middle-aged, non-party personages, people of minority nationalities, and especially intellectuals. The educational level of these deputies is also higher than before. Moreover, some returned Overseas Chinese, family members of Overseas Chinese, and relatives of those who are now in Taiwan have also been elected deputies. There also are a number of deputies who have been elected from specialized households, which have become rich through labor and by devoting their energies to commodity production.

With completion of the election, all local authorities also successfully established township governments, village committees, and village groups.

#### HUNAN'S 1983 PRODUCTION REVEALED POSITIVE RESULTS

HK031338 Changsha Hunan Provincial Service in Mandarin in 2310 GMT 2 May 84

[Text] As a result of conscientious implementation of the 12th CPC National Congress spirit, and through vigorous efforts to carry out reforms and to grasp economic work, the social total output value of our province in 1983 amounted to 45.593 billion yuan, an increase of 8.5 percent over 1982. This was disclosed by the provincial Statistical Bureau yesterday in a bulletin on the positive results of the 1983 plans for the national economy and social development.

It also revealed: The gross output value of agriculture and industry rose to 37.931 billion yuan in 1983, 6.7 percent over 1982. The national income rose to 22.185 billion yuan, 5.9 percent over 1982. Despite various natural calamities in 1983, the gross output value of agriculture still went up by 6.1 percent compared with 1982, amounting to a total of 17.168 billion yuan.

This means that the province fulfilled the 1983 plan in this respect by 106.3 percent and reached 97.6 percent of the targets set by the Sixth 5-Year Plan for 1985. Total grain output jumped to 53,077 billion jin, an increase of 4.281 billion jin or 8.8 percent over 1982, itself a bumper harvest year, thus setting an all-time record. Meanwhile, a new record was also set in the total output of tangerine, sugarcane, and mulberry silkworm cocoons. The province's industrial enterprises achieved better economic results in 1983 as a result of making strenuous efforts to turn losses into profits. The gross output value of industry in 1983 was 20.763 billion yuan, 7.2 percent over 1982, fulfilling the year's plan by 104.8 percent. Of 80 major industrial products, output of 65 fulfilled or overfulfilled the 1983 targets, production of 60 products increased greatly over 1982, and 22 products such as steel, copper, lead, hydropower, and synthetic ammonia reached or surpassed the output targets set by the Sixth 5-Year Plan.

As a result of the development of production, the province's revenue increased in 1983, exceeding total expenditure. Markets in the urban and rural areas were thriving and prosperous. Prices remained stable in the main and the living standards of the people continued to improve.

#### TEENAGER SENTENCED TO DEATH FOR STEALING RELICS

OW072228 Beijing XINHUA in English 1844 GMT 7 May 84

[Text] Changsha, May 8 (XINHUA) -- A teenager who stole 31 priceless historical relics was sentenced to death today in Changsha, capital of Hunan Province.

The death sentence was suspended for two years because Xu Fandi, a middle school student, was under 18 years of age when he committed the crimes. He was also deprived of his political rights for life.

Xu broke into the Hunan Provincial Museum last October, smashed 7 showcases, and stole the relics from a collection of Han Dynasty (206 B.C. -220 A.D.) burial objects. The antiques included a silk gauze garment, a pair of embroidered silk gloves, a lacquer box, and inscribed bamboo clips.

He also struck a guard with an iron bar during a robbery at the Changsha friendship store a week later.

Xu was forced to post most of the stolen articles back to the museum after local police gave the case city-wide publicity. He was arrested while attempting to hide the remaining relics.

The teenager's mother, a teacher at the Hunan Provincial Education College, was sentenced to 15 years imprisonment and deprived of her political rights for four years for attempting to shelter him. She also helped the accused to destroy and hide the stolen relics by burning four pieces of the relics.

GUIZHOU CPC ADOPTS RECTIFICATION MEASURES

HK080217 Guiyang Guizhou Provincial Service in Mandarin 1230 GMT 7 May 84

[Text] The Guizhou Provincial CPC Committee, in the course of its party rectification studies, has listened to the views of all sectors and seriously taken stock of the remnants of leftism in the implementation of the policies on nationalities, intellectuals, and united front work. The committee has further emancipated its mind, carried out bold reforms, and decided to take six rectification measures:

1. Through studying the party rectification documents, the party organizations at all levels must seriously take stock of the remnants of leftism, unify their thinking, and enhance their understanding of the importance and necessity of implementing the party policies on nationalities, intellectuals, and the united front work.

In connection with the problems existing in their area and unit, they must discover the problems and formulate practical party rectification measures.

2. In the course of formulating and implementing the policies on nationalities, intellectuals, and the united front work in the province, area, and department, [passage indistinct].

3. It is necessary to actively help the minority-nationality areas to develop commodity production and to promote education. We must step up training of minority-nationality cadres and promote and employ them.

4. Effective measures should be taken to further implement the party's policy on intellectuals. We must fully trust and care for them politically. Those who meet the requirements for party membership should be promptly recruited into the party. We must solve their difficulties in joining the party. We must boldly select and promote to leadership posts at all levels a number of outstanding middle-aged and young intellectuals who are bold in reform.

University and senior secondary school graduates and intellectuals with technical titles assigned to remote and [word indistinct] counties should receive appropriate subsidies. Units where the conditions permit can issue technical personnel with funds for buying periodicals and materials.

The provincial CPC Committee and government have decided to allot special funds each year, beginning this year, to gradually solve the housing problem of senior and middle-grade intellectuals in provincial units. All prefectures, cities, and counties should adopt similar methods to solve this problem.

5. We must resolutely implement the party's united front policies. We must focus on solving problems left over from history. We must strengthen ties with democratic parties and non-party figures. We must hold several forums of non-party and democratic figures each year. Responsible party comrades must seriously listen to their criticism, views, and suggestions.

6. The provincial CPC Committee has decided to hold a special conference each year to look into problems in work in minority-nationality autonomous prefectures and counties, work concerning intellectuals, and united front work.

The provincial CPC Committee's Organization and United Front Departments, and the provincial nationalities affairs committees, must also convene similar meetings to study and discuss a number of specific work problems.

SICHUAN RIBAO ON RECTIFICATION RELATIONSHIPS

HK071352 Chengdu SICHUAN RIBAO in Chinese 9 Apr 84 p 3

[Article from the "Party Members" column by Liu Dingfu: "Correctly Understand and Properly Handle Several Relationships in Party Rectification"]

[Text] At present, our province's party rectification work is progressing steadily, and we can say this is a good beginning. But this is just the beginning of the work. Following the constant progress of studying documents, discussing problems, and correcting mistakes, many new problems and new situations will emerge. Therefore, it is imperative to strengthen ideological and political work and to unify our ideology so that party rectification can be carried forward along a correct road. Viewed from the present situation it is necessary to correctly understand and properly handle the following relationships:

First is the relationship between "discussing major issues" and "talking about trifles." In the course of party rectification, some party members are not interested in discussing the general target, the general task, and the ideological and political line of the party, maintaining that discussing these problems is "talking big" and indulging oneself in "empty talk." But regarding the problems of private cars, houses, children, food, and personnel matters, they can talk a lot. The more they talk, the angrier and more disappointed they will become. This is worth studying. Because of the 10 years of disorder, our party is afflicted with many problems of serious impurity in ideology, work style, and organization, and departments and units have many practical problems to solve. It is necessary to conscientiously sort out these problems in the course of party rectification. However, the first task for the party in power and for the leading organs and leading cadres of this party is to discuss major issues, and to pay particular attention to straightening out the ideological and political line. If we do not discuss major issues, do not have a clear idea of major issues, and do not grasp major issues, but always "talk about trifles," we will lose our political bearings and suffer losses in our revolutionary work. In fact, abusing one's rights for personal gain and doing things in a bureaucratic manner are only superficial phenomena; the essence lies in the ideological and political line. The fundamental way to solve this problem is to straighten out the ideological and political line and to raise the consciousness of keeping abreast of the central authorities. If we do not discuss this major issue, do not have a clear idea of this major principle, and do not pay attention to this major viewpoint, but always talk about trifles, we will not be able to solve problems in a fundamental manner. Therefore, throughout the course of party rectification it is necessary to persist in discussing major issues and to concentrate the ideology of the party on one target, two civilizations, the three great tasks, and blazing a new trail. Only in this way can we be far sighted, raise our consciousness, and solve problems in a fundamental way.

Second is the relationship between rectifying leaders and rectifying oneself. Comrade Deng Xiaoping pointed out: "To rectify and straighten out the party style it is necessary to first rectify the mistakes of high-level cadres." In the current party rectification, members of leading bodies at all levels are required to take the lead in analyzing themselves, in practicing criticism and self-criticism, and in carrying out simultaneous rectification and correction of defects. Whether or not it is possible to prevent party rectification from being carried out in a perfunctory manner, to solve problems, and to enable the masses to have confidence, depends to a very large extent on whether or not leading cadres at various levels can take the lead and play an exemplary role in practicing criticism and self-criticism. Therefore, every party member is required to hold firm to the party stand, adhere to party spirit and party policy, and energetically help leading cadres carry out rectification.

Ordinary party members and cadres are also required to carry out self-education and self-transformation. Some party members fail to see their own problems, thinking that since they are ordinary party members, have nothing to do with the "people of three categories," and have not violated discipline or law, they have "nothing to rectify." They have put themselves outside party rectification. It is true that ordinary party members do not have much power to engage in dishonest practices, but this does not mean that they have nothing to rectify. In reality, "leftist" tendencies, liberalism, individualism, and unhealthy habits are affecting ordinary party members. Therefore, every party member, regardless of his position, is required to take an active part in party rectification, to strictly analyze himself, to be bold in carrying out sincere, thorough, and realistic self-criticism, and to strive to get closer to the target of being a qualified party member.

Third is the relationship between being firm and resolute and being careful and calm. Simultaneous rectification and correction of defects is an important principle for guiding the current party rectification. An important symbol of whether party rectification is carried out in a thorough manner in a department or unit is whether this department or unit has started simultaneous rectification and correction of defects. In solving urgent problems with which the masses are most strongly discontented, we must be firm and resolute. In addition, we must be careful and calm, as simultaneous rectification and correction of defects is a serious matter. Some comrades are anxious to get "quick results," or they will grumble that their leaders are "taking no action" and "carrying out party rectification in a perfunctory manner." This is incorrect. We should know that the problem of impurity in ideology, work style, and organization in the party has existed for a long time since the 10 years of internal disorder. The situation is complicated. Only through profound investigation and study and by finding out the facts can we properly solve problems. Being overanxious for "quick results," regardless of party policy, will only make a mess of our work. It is also wrong to delay the settlement of problems which have been thrashed out. The correct way is to adopt a resolute attitude and to carefully carry out our work. Only in this way can simultaneous rectification and correction of defects be carried out in a more proper way and can better results be achieved in this respect.

#### YIN FATANG ADDRESSES XIZANG COMMITTEE MEETING

HK071419 Lhasa Xizang Regional Service in Mandarin 1130 GMT 6 May 84

[Text] On the afternoon of 5 May, Yin Fatang, first secretary of the regional CPC Committee, addressed the fifth meeting of the Standing Committee of the Fourth Regional People's Congress.

Comrade Yin Fatang first briefed members of the Standing Committee and participants in the meeting on the recently held Second Enlarged Plenary Session of the Third Regional CPC Committee. He said: During the enlarged plenary session, the guideline laid down by the forum on the work in the Xizang region was conscientiously transmitted and discussed. The participants in the session conscientiously summed up positive and negative experience based on the theory of knowledge, and set a new goal, namely, to strive to double the average annual real income of the peasants and herdsmen within 3-5 years. The participants discussed and worked out policies and measures aimed at the fulfillment of the goal, definitely pointed out that it was necessary to strictly adhere to the four-character principle of [word indistinct], proposed nine measures to implement further relaxed policies, and drew up several policies on rural and pastoral areas. After the session the regional people's government issued a communique.

In his speech, Comrade Yin Fatang emphasized: It is of special importance to do a good job in united front work and the work concerning nationality and religious affairs.

The stated: Patriotic people of minority nationalities in various circles, particularly those in upper circles, have made valuable and important contributions at various stages during both the revolution and construction periods. We absolutely have to strengthen unity with them and cooperate with them. We must continue to eliminate the influence of leftist thinking, and further carry out the policies concerned. We must regularly exchange views with these people and solicit opinions from among them. They should be provided with the relevant documents issued by the central authorities, the regional CPC Committee, and the regional government. Those among them who are still able to work should be respected so that they can contribute to the construction of the region. We must treat them with all sincerity and share their weal and woe.

In his speech, Comrade Yin Fatang especially emphasized that in face of the new situation it is necessary to conscientiously study and actively carry out the work of encouraging Xizang compatriots residing abroad to return to the motherland. He said: The reunification of our motherland and the great unity of all nationalities in the country are historical trends. We must enthusiastically and properly entertain all Xizang compatriots residing abroad who want to visit or to settle down in the motherland and continue to implement the policy of people freely returning and leaving the country. Xizang compatriots residing abroad who want to send their children here to pursue their studies are welcome to do so. All the expenses for their children during their stay in Xizang, including food, clothing, and lodging, will be paid by the state. Their children can remain or leave the country on their own after they have finished their studies. On the other hand, we also welcome Xizang compatriots residing abroad to invest in or to enter into joint ventures in industry, commerce, tree farms, animal farms, fishing farms, or other service trades.

When talking about the work of the Standing Committee of the regional People's Congress, Comrade Yin Fatang pointed out: It is necessary to attach great importance to the work of the regional People's Congress and take effective measures to step up and ensure the implementation of the guideline laid down by the forum on the work in the Xizang region. Since resuming activities, the regional People's Congress has done much work in restoring and developing socialist democracy, establishing and improving socialist legal system, and supervising and supporting the implementation of [words indistinct] work. The regional People's Congress has also done well in its effort to enable the authorizing organ and the executive organ to play their roles.

Comrade Yin Fatang said: The forum on the work in the Xizang region convened by the central authorities put forth new tasks and set higher demands on the regional People's Congress. For example, how to improve legislative work based on a series of special policies for our region laid down by the central authorities. It is necessary to attach special importance to the improvement of legislative work in the economic field, so as to fulfill the will of the Xizang people of all nationalities, properly carry out economic construction in the region, and help the people of the region to get rich as soon as possible. By and large, the role of the regional People's Congress is very important, and we absolutely must attach great importance to the work of the People's Congress. Party committees at all levels must support the People's Congress to enforce the law and to exercise the power and duty vested in it by the state, and must try their best to create a new situation in the work of the People's Congress. The standing committees of the people's congresses at all levels must take the implementation of the guideline laid down by the forum on the work in the Xizang region as a key link. At the same time, they should also fully exercise their supervisory power and see that the governments and the people's courts and procuratorates at their respective levels implement in a down-to-earth manner the guideline laid down by the forum on the work in Xizang, so as to speed up the construction in the region and enable the people of the region to get rich as soon as possible.

GANSU PARTY PLENARY SESSION OPENS 5 May

HK060315 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 5 May 84

[Text] The Second Enlarged Plenary Session of the Sixth Gansu Provincial CPC Committee was convened in Lanzhou this morning. The session is being attended by members and alternate members of the provincial CPC Committee, party-member vice chairmen of the provincial Advisory Committee, party-member vice governors, advisers to the provincial government, party-member vice chairmen of the provincial People's Congress Standing Committee, party-member vice chairmen of the provincial CPPCC, secretaries of prefectoral and city CPC committees, party-member prefectoral commissioners and mayors, secretaries of party committees and groups of the provincial departments, committees, offices, and bureaus, and secretaries of party committees of first-grade factories, mines, scientific research units, and institutes of higher education. Attending as observers are members in Lanzhou of the Central Advisory Commission, the CPPCC, the provincial Advisory Committee, and the provincial Discipline Inspection Committee. Also participating are comrades of the Gansu Liaison Group of the Central Commission for Guiding Party Rectification.

The main agenda of this session is: To report of the provincial CPC Committee Standing Committee's collective and individual comparison and examination in party rectification; to listen to the views of the participating comrades; to analyse and study the situation in the province; and to make arrangements for work in the second half of the year.

Comrade Li Ziqi presided at the session this morning. Comrade Liu Bing reported on collective and individual comparison and examination in the provincial CPC Committee Standing Committee.

NINGXIA CPC MEETING VIEWS COMPARISON, EXAMINATION

HK080546 Yinchuan NINGXIA RIBAO in Chinese 25 Apr 84 pp 1, 2

[Report: "Ningxia Regional CPC Committee Held an Enlarged Meeting To Discuss Comparison and Examination and Measures for Simultaneous Rectification and Correction of Defects Around the Core of Economic Construction"]

[Text] The CPC Committee of the Ningxia Autonomous Region held an enlarged meeting in Yinchuan on 13-18 April. More than 150 people attended the meeting, including responsible comrades from the regional CPC Committee Standing Committee; party-member responsible comrades from the regional People's Government, Standing Committee of the regional People's Congress, regional CPPCC, and Ningxia Military Region; secretaries from various prefectoral, city, and county (district) CPC committees; and main responsible comrades from various regional sections, commissions, departments, and bureaus. Comrades from the Ningxia Liaison Group of the Central Commission for Guiding Party Rectification also attended the meeting. Nie Jifeng [5119 3444 1496], head of the group, delivered a speech at the meeting. Comrades sent by the Central Discipline Inspection Commission to work in Ningxia also attended the meeting. In accordance with the spirit of circular No 7, Li Xuezhi, secretary of the regional CPC Committee, gave a speech on making comparison and examination on behalf of the regional CPC Committee Standing Committee. Deputy Secretaries of the Regional CPC Committee Hei Boli, Hao Tingzao, and Li Yunhe also delivered speeches on comparison and investigation on behalf of the departments under their charge. They also extensively heeded criticisms and opinions. The meeting discussed measures for simultaneous rectification and correction of defects around the key task of economic construction. The meeting pointed out: While carrying out our party rectification work, our region should continue to firmly grasp the problems of emancipating the mind and eliminating "leftist" ideological influence, sum up experience, unify the mind, conduct reforms boldly, and adopt vigorous measures to create a new situation in the socialist modernization of Ningxia.

In accordance with the instructions issued by the central leading comrades, we should strive to fulfill strategic objectives of bringing about an upswing in Ningxia, and attaining, at least, the medium level of the whole country or above.

Comrade Li Xuezhi said: Since the 3d Plenary Session of the 11th CPC Central Committee, the regional CPC Committee Standing Committee has resolutely supported and actively implemented the line, guiding principles, and policies of the CPC Central Committee. However, there are still a number of problems in our work. First, our ideology, organizations, and work style have not yet satisfied the demand of the general tasks and objectives of the new period. Economic development in Ningxia is still comparatively slow. After shifting the work focus, we have found out that we have not yet met the demand of the new period in the following three main aspects: 1) Ideologically, we have not yet met the demand of the new period. We have not yet fully realized the great significance of shifting the work focus of the party and fulfilling the general tasks and objectives. We have not yet done enough in our practical work. As far as our guiding thought is concerned, we still lack initiative, are overcautious, and are afraid of being thrown into confusion. We are accustomed to going about things according to the old conventions and habits. We have not yet made sufficient investigations and studies on quadrupling the economy and bringing about an upswing in Ningxia. We only have tentative general ideas, but lack scientific exposition and the spirit of innovation. Up to now we have not yet worked out scientific, feasible, and long-term plans that are suitable for practical conditions in our region. 2) Organizationally, we have not yet met the demand of the new period. We have not yet done enough to promote unified leadership. Number one and number two men have not yet exerted effective efforts to grasp economic work. We have not yet fully taken into consideration the needs of economic construction while assigning, testing, and using cadres. The establishment of economic departments and scientific research units is incompatible with economic development. With the rapid development of science and technology, the defect that the knowledge and management ability of our cadre ranks is incompatible with the development of the economic situation has become more and more conspicuous. We have lagged behind in the work of training talented personnel, enhancing cadres' management level, and providing them with new knowledge. 3) We have not yet met the demand of the new period with regard to work style. We have not devoted sufficient efforts to discuss matters of primary importance, judge the situation as a whole, and grasp key points. There is a tendency of falling into generalities in our work style. We have not firmly grasped the struggle against bureaucracy, decentralism, and selfish departmentalism, and effectively solved problems arising in this respect. We have not yet done enough in pursuing a down-to-earth manner. Although we have made a number of arrangements and issued calls one after another, we have not done enough in examining the progress of the work, promoting work in all areas by drawing upon experience gained at key points, providing guidance based on classification of work, and summing up and popularizing typical experience. In particular, we have not done enough in studying new situations, solving new problems, and summing up new experiences. The defect of "a mountain of documents and sea of meetings" is still conspicuous. We have issued many documents and held many meetings, but we have only done little in forming close ties with the masses and solving practical problems. The leading body of the regional CPC Committee Standing Committee has not done enough in promoting its own rebuilding, and especially in studying theoretical and vocational knowledge.

Comrade Li Xuezhi proposed a tentative plan for the simultaneous rectification and correction of defects of the regional CPC Committee Standing Committee. He said: In the process of party rectification, we should firmly grasp the key link of economic construction and do various work in a down-to-earth manner. By 1990 we should bring about greater changes in our region. We should also develop the regional economy to a greater extent and further improve people's living standard. To bring about a new economic upswing in Ningxia, we should establish confidence, enhance our ideological understanding, exert great efforts to enhance economic results, and be bold in carrying out reforms.

He said: Sticking to the practice of seeking truth from facts and being bold in carrying out reforms is a key to developing the economy and enhancing results. Party organizations at various levels should continue to emancipate their minds, further eliminate remnant "leftist" ideology, and overcome the conservative ideas of "lacking initiative and being overcautious." They should proceed from reality and be bold in carrying out reforms. First, the progress of reforms in industrial, communication, financial, and trade fields should be speeded up. A breakthrough must be effected in this respect. To this end the regional CPC Committee and People's Government will adopt the following reforms: 1) We should reform the commercial wholesale system as fast as possible. This work should first start in Yinchuan. 2) We should change the subordinate relationships of enterprises and continue to put enterprises under the administration of cities where they are located in a planned and prepared way by stages and in groups. We should fully bring forth the role of cities in organizing the economy. 3) We should effect a breakthrough in overcoming egalitarianism and the defect of "eating out the same big pot." We should conduct experiments in some selected enterprises and transfer the powers of finance, materials, personnel, production, and rewards and punishment to those selected enterprises. We should expand decisionmaking powers of enterprises and fully pursue the economic responsibility system. 4) We should adopt the method of going to seek help. We should learn from and introduce advanced technology and experience from fraternal provinces and regions with definite objects in mind. We should raise funds by relying on our own efforts and external assistance. In the meantime, we should strive to introduce foreign capital and technology to speed up rapid economic development in our region. 5) We should continue to do well in the reform of rural supply and marketing cooperatives and credit cooperatives. 6) We should strengthen leadership over scientific and technical work and adopt effective measures to implement policy for intellectuals. We should also make investigations and studies in various fields, and carry out reforms in light of actual conditions.

The meeting also discussed "several reforms for further relaxing policy, enlivening the economy, and enhancing economic results," and "several specific policies for intellectual work" drafted by the regional CPC Committee and People's Government. After the meeting, they will be further supplemented and amended before promulgation.

Many participating comrades said: This meeting has firmly grasped simultaneous rectification and correction of defects, come straight to the point, established strong confidence, and promptly corrected previous mistakes. For example, the meeting has prepared to adopt a series of vigorous measures to implement economic policy and policy for intellectuals. All these have been in accordance with the spirit of the decision on party rectification. All the participants believe that under the leadership of the CPC Central Committee, party organizations in Ningxia will rely on their own efforts to promote their merits, overcome their mistakes, and truly promote revolutionary spirit through party rectification. They will be full of drive to promote the "four modernizations," and lead people of various nationalities in Ningxia to attain the strategic objective of "bringing about an upswing in Ningxia."

#### DISCIPLINE INSPECTION CONFERENCE HELD IN NINGXIA

HK070648 Yinchuan NINGXIA RIBAO in Chinese 14 Apr 84 p 1

[Report: "Ningxia Region Holds Discipline Inspection Work Conference To Relay and Implement Spirit of Work Conference Held by CPC Central Commission for Discipline Inspection in Order To Strengthen Work of Discipline Inspection During Party Rectification"]

[Text] The CPC Discipline Inspection Commission of Ningxia Hui Nationality Autonomous Region recently held a regional discipline inspection work conference.

The purpose of the meeting was to relay and implement the spirit of the CPC Central Discipline Inspection Commission's work conference, to review the work in the past year, and to arrange the tasks for the discipline inspection work throughout the region in the coming year. The conference placed stress on discussing the plan for strengthening the discipline inspection work in the course of the overall party rectification so as to markedly improve the general practice of the party in our region.

The conference was held under the instruction of the regional party committee. Leading comrades of the regional party committee, Li Xuezhi and Hao Tingzao, gave speeches at the conference. The CPC Central Discipline Inspection Commission also sent representatives to the conference.

Over the past year, discipline inspection organizations at all levels in our region have done a great deal of work for the purpose of bringing about a radical change for the better in the general practice of the party. They have effectively assisted party committees to check the malpractices of illegally occupying and building houses, crack down upon serious economic criminal activities, deal with discipline violation cases, and reexamine cases of appeal. They have played a positive role in promoting the improvement of the general party practice in our region.

The regional discipline inspection work conference emphatically pointed out: This year, among other tasks, the most important task is to require all party committees to take the lead in setting the party general practice right in the course of the party rectification. A responsibility system must be established in order to ensure the improvement of the party's general practice. Each party committee should be overseen by the higher authorities in this regard. Leading members of party committees, especially those at and above the county level, must regularly examine their practices and work style. This should become a system. Party discipline inspection commissions at all levels should work consistently to ensure the enforcement of the party's political discipline. They must promptly and seriously deal with cases in which some people distort and violate the four basic principles, oppose the party's line, principles, and policies, shield the "three categories of people," and disturb and undermine the party rectification. They must often check on and deal with cases in which some party organizations violate discipline, and must correct various incorrect tendencies. Through the party rectification, party organizations should be really built into leadership cores of the modernization process.

#### SHAANXI PEOPLE'S CONGRESS SESSION OPENS

HK040331 Xian Shaanxi Provincial Service in Mandarin 1130 GMT 3 May 84

[Excerpts] The Second Session of the Sixth Shaanxi Provincial People's Congress opened in Xian today, attended by 647 deputies. The executive chairmen today were Ma Wenrui, Zhang Ze, Li Xipu, Yan Kelun, Li Qingwei, Bai Jinian, Li Lianbi, Dong Xueyuan, Deng Guozhong, Chen Ming, Tan Weixu, Hou Zongnian, Yuan Zhengting, Yu Ming, Xiong Yingdong, and Liu Lizhen. Ma Wenrui presided.

Governor Li Qingwei delivered a government work report. The report was in three parts: 1) the economic situation in 1983; 2) the tasks for 1984; 3) improve work style and strengthen leadership over economic work.

Governor Li Qingwei said in his report: Total grain output last year was 19.3 billion jin, a rise of 800 million jin over the bumper year of 1982, a record. During the 1984 grain year, the province procured and sold 330 million jin of surplus grain. At the year's end, there was an average of 529 jin of surplus grain per peasant, an increase of 104 jin over the previous year. Total agricultural output value increased slightly despite a drop in cotton production due to natural disasters. Total value reached 6.108 billion yuan, a record.

New developments occurred in rural commodity production. The number of specialized households was 550,000, accounting for 10 percent of the total number of rural households. The province afforested 6.84 million mu, a record figure. It also planted grass on 1.43 million mu, an increase of 7.8 percent over the previous year.

Total industrial output value was 14.945 billion yuan, a rise of 14.1 percent over 1982. This was higher than the average national increase.

The province halted or suspended 131 construction projects during the year and cut construction investment by 34 million yuan. Total investment completed was 1.652 billion yuan.

Financial revenue for the year was 1,442,250,000 yuan, exceeding the budget figure by 110.86 million yuan. This represented an increase of 86.68 million yuan -- 6.3 percent -- over 1982.

Total value of retail sales was 6.46 billion yuan, an increase of 9.4 percent over 1982. Procurement of commodities for foreign trade was valued at 96 million yuan, and total value of direct exports was 103 million yuan, an increase of 10.6 percent.

WANG ENMAO INSPECTS WORK IN XINJIANG 23-30 APR

HK040829 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 2 May 84

[Text] While inspecting work in Hami Prefecture, Wang Enmao, first secretary of the regional CPC Committee, emphasized: 1) It is necessary to grasp the center, which is economic construction; 2) it is essential to grasp the overall situation -- the unity of nationalities is the overall situation; 3) it is imperative to grasp the guarantee -- grasping well party rectification is the guarantee for success in the cause of socialist modernization.

From 23 to 30 April, Wang Enmao went deep into rural and pastoral areas, factories, mines, enterprises, and regimental agricultural reclamation farms of the Production and Construction Corps in all counties and the city in Hami Prefecture to conduct investigation and study and to guide their work. He also held discussions with peasants and herdsmen of various nationalities and [words indistinct] on the problems of how to develop local economic construction.

He said: The central task of our CPC committees at all levels is to concentrate our forces on economic construction. Hami Prefecture abounds in natural resources and in mineral resources -- coal, raw materials for chemical industry, iron, and marble. The areas of pasture are very large. There are forests on the mountains. The potential to develop agriculture, forestry, animal husbandry, and industry is very great. The conditions exist, and it is possible to ensure that the annual gross industrial and agricultural output value can be quadrupled or can be increased by 600 and even 800 percent. To achieve this target of economic construction it is necessary to first grasp well agriculture, forestry, and animal husbandry. We must greatly develop agriculture to ensure that we are more than self-sufficient in grain. Under this premise we must develop industrial crops, we must develop forestry. The mountainous areas here have many pine trees. We must plant pine trees and other trees on the plains to green Hami. We must develop livestock production in pastoral and rural areas. We must closely combine the development of agriculture, forestry, and animal husbandry. [sentence indistinct]

Tian Shan, which is situated in Hami Prefecture, has a large amount of snow. When it is warm, the collected snow melts and flows down along many channels, the lower reaches of which can accommodate reservoirs, which are a treasure, and fish ponds.

If we fully utilize water, then agriculture, forestry, and animal husbandry will greatly develop.

Apart from developing agriculture, forestry, and animal husbandry, we must also develop industry. If we want to greatly develop industry, we must first develop electric power, communications, and transport. At the same time we must develop the coal, chemical industry, woollen textile, building materials, and food processing industries. In so doing we can surely raise Hami Prefecture's economic construction to a new level and can create a very good condition for quadrupling the gross industrial and agricultural output value.

Wang Enmao demanded: Leaders at all levels in Hami Prefecture must unremittingly do a good job in the unity of nationalities. He said: The Hami Prefecture's situation in the unity of nationalities is very good. However, we must not feel content. The unity of nationalities is the overall situation. We must continue to do our work well. We must work hard to conduct propaganda and education in the Marxist concept of nationalities, in the policies toward nationalities, and in the unity of nationalities, to make them known to every household and every person. We must promptly correct defects and mistakes, if any.

While inspecting work in many units, Wang Enmao inspected the situation in which cadres of the Han nationality learn the languages of minority nationalities. He demanded: They must learn the languages of minority nationalities. He said: It is essential to vigorously commend the cadres of all nationalities who have made efforts and achieved results in upholding the unity of nationalities. Those who violate the policies toward nationalities and sabotage the unity of nationalities must be dealt with and in serious cases, must be punished so as to gradually improve the situation in the unity of nationalities.

In dealing with the problems of party rectification, Wang Enmao said: Doing a good job in party rectification is the basic guarantee for us to concentrate our forces on economic construction [words indistinct], to do well in the unity of nationalities, and to strengthen the unity of nationalities. Party rectification in the region is being carried out in two batches. All counties and the city in Hami Prefecture belong to the second batch to carry out party rectification. It is now necessary to seriously study the documents on party rectification, to heighten the understanding of the necessity and urgency of party rectification, and to enhance the conscientiousness to implement the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee. Through study of the documents and the heightening of understanding, we must correct defects before carrying out rectification. We must grasp the major problems while carrying out rectification and correction of defects. What is the most important thing is to keep politically and ideologically in line with the CPC Central Committee. [words indistinct]

We must solve the problem of taking advantage of power to seek personal gain. Upon discovering the problem, we must promptly solve it. We must also solve the problem of bureaucratism. Through party rectification we must unify our understanding, must rectify our work style, must strengthen discipline, must purify our organizations, and must build party organizations at all levels into a strong core to lead socialist modernization. Organizationally we must weed out the people of three categories. In the course of exposure, criticism, and investigation, Hami Prefecture has investigated and dealt with some people of three categories, but has not thoroughly done so. In the course of party rectification, the prefecture must solve this problem well.

FURTHER COMMENT ON REAGAN MAINLAND VISIT

CHINA POST 1 May Editorial

OW050417 Taipei CHINA POST in English 1 May 84 p 4

[Editorial: "President Reagan's Disagreeable Trip"]

[Text] President Ronald Reagan has at last found out what a disagreeable trip he has undertaken in his state visit to the Chinese Communist mainland. During the last few days on the Chinese mainland, he has been prevented from speaking directly to the mainland Chinese people by the Peking regime's censors, who deleted his tributes to capitalism, democracy and religion from an interview with the state-controlled television taped for broadcast Saturday evening. The anti-Soviet rhetoric contained in his keynote speech Friday was also censored. On top of that, President Reagan was accused by Chinese Communist officials of making "inappropriate and politically insensitive remarks."

But the frustration is not limited to President Reagan and his U.S. Government entourage. It is also shared by the 300 newspapermen and TV and radio correspondents who have accompanied him. They were denied permission to see and photograph the actual living conditions of the local people around Peking in areas to which no U.S. or other foreign visitors or correspondents are permitted access. The people there live in shacks and dress in shabby clothes as many news and TV correspondents can readily see.

The newsmen also learned from many American residents in Peking of their complaints about living on the Chinese mainland and of their lack of freedom of movement and research. Others complained about their bad food, lack of hot water for showers, and poor hygiene. All the restrictions and shortcomings have made life for the 1,300 Americans studying in Chinese Communist schools "very frustrating," as one American put it.

But in spite of all the irritations, President Reagan has behaved like a good sport and stuck to his guns. He has refused to yield to Chinese Communist pressure to side with Peking on the "Taiwan issue" and has ruled out the playing of any active role in resolving the Taiwan question.

The U.S. President even openly defended his friendship with the Republic of China by stating at a Peking press conference that "It is true that we have a long historic friendship...with the people of Taiwan." He told the Chinese Communist press correspondent in that interview that while his administration favors strengthening ties to Peking, "at the same time we don't believe that it would be right to cast aside long-time old friends in order to make new friends."

Apparently President Reagan has not yielded to the heavy pressure to yield on the Taiwan question applied by Teng Hsiao-ping in their three-hour talks on Saturday. A U.S. official admitted after Reagan's lunch with Teng that there was no substantive movement by either side on the Taiwan issue. He said that "It is clear this remains a point of strong disagreement, but I would not say it was expanded or worsened in this visit."

The U.S. delegation has also noted the Chinese Communist exaggeration of the results of their fighting along the Vietnamese border to impress upon the U.S. delegation their military capabilities. They dismissed such exaggeration as propaganda moves by the Chinese Communists.

Furthermore, the American visitors have been shocked by the Chinese Communist reaffirmation of Peking's determination to pursue an independent foreign policy that condemns both the United States and the Soviet Union for interference in the affairs of third countries.

A commentary published by the NEW CHINA NEWS AGENCY at the end of President Reagan's talks put Moscow and Washington on an equal footing by accusing both countries of not respecting the five principles of peaceful co-existence advocated by Red China and Burma 30 years ago. The commentary criticized the Kremlin for intervention in Afghanistan and Soviet support of Vietnamese occupation of Cambodia and the United States for its policy in Central America and Taiwan. It effectively served to oppose the U.S. on key policy issues.

In view of the above, the United States should reconsider its policy toward the Chinese Communists which cannot be of any help to America's anti-Soviet measures as Peking's leaders have openly refused to cooperate. Instead of continuing to play the China card, the United States should revert to its previous policy of supporting the Republic of China, which can serve as a bulwark of defense in the Asian and Pacific region. It should provide more military aid to the Republic of China to counter the Chinese Communist threat of aggression. This view is in line with U.S. Secretary of State Shultz's view that one way to prevent Chinese Communist aggression against Taiwan is to provide the ROC with "adequate arms."

CHINA POST 3 May Editorial

OW052332 Taipei CHINA POST in English 3 May 84 p 2

[Editorial: "President Reagan's Frustrating Trip"]

[Text] President Ronald Reagan and Mrs. Reagan, accompanied by an entourage of 300 press correspondents from U.S. mass media and 300 U.S. Government officials have arrived back in the United States after an exhausting six-day visit to the Chinese mainland. Although President Reagan described his visit to the Chinese mainland as putting U.S.-Peking relations on "a new plateau" as a result of the six-day journey and that he and the Red Chinese are now in "great agreement" on many world problems, he was obviously making the most optimistic assessment of a frustrating trip which he had undertaken for political expediency. President Reagan told the press on his way to Fairbanks that despite the differences between Chinese communism and American democracy, "we still found areas of agreement with regard to peace, opposition to (Soviet) expansionism and hegemony, and we found that we could agree on a great many things more." He also noted that many misunderstandings were cleared up.

The U.S. side, however, dismissed the Chinese Communist censorship and deletion of President Reagan's remarks aimed at Soviet Union and lauding democracy, God and freedom as inconsequential. U.S. Secretary of State George Shultz commented on this situation by saying that it was far better "for the President to say what he wants to say" and "it's up to the (Red) Chinese to do what they want to do." It is obvious that the presidential party was thoroughly aware of the Chinese Communist bad faith in deleting those portions of important statements by the U.S. President, who wanted to reach the 1 billion Chinese directly through TV and radio broadcast of his speeches. He did not know that as the Chinese mainland people are not permitted to freely listen to those broadcasts or TV programs, it was not possible for President Reagan to have a large audience in any case.

The American visitors also learned that the Chinese Communists resorted to staging market scenes with secret servicemen posing as merchants or farmers for the President and Mrs. Reagan's benefit. The Chinese Communists also arranged street welcome scenes by crowds waving flags without enthusiasm.

But the Chinese Communists have refused President Reagan's urging to oppose the Soviets on international issues, even less to restrain the Soviets by force. President Reagan has not only found out Peking's unwillingness to join in such an anti-Soviet alignment but also discovered the regime's incapability of restraining the Soviets. Teng Hsiao-ping has overplayed his hand in this respect and his attempt to invite Mrs. Reagan to visit Peking without the President will not succeed either.

The only concrete results achieved by President Reagan were the conclusion of three agreements and pacts, two of which were signed by President Reagan and another signed by others. But the most important one, the nuclear agreement, which took three years to negotiate, will require U.S. Senate approval, and a heated debate is expected when that agreement reaches the Senate. However, President Reagan's strong refusal to compromise with Peking's leaders on the so-called "Taiwan question" is one of his outstanding achievements in Peking. He lived up to his promises of not "casting aside long-time old friends in order to make new friends." At the same time, Secretary of State Shultz's refusal to accede to Chinese Communist Foreign Minister Wu Hsueh-chien's complaint about U.S. arms sales to the Republic of China was laudatory. It even prompted the U.S. secretary of state to announce U.S. continuance to supply the Republic of China with more arms over the ABC TV's "This Week With David Brinkley" program.

It may even be said that both President Reagan and Secretary Shultz have come to a renewed appreciation of the important role of the Republic of China in safeguarding the peace and security of the Asian and Pacific region as a result of their Chinese mainland visit. They must realize the unreliability and the war-like nature of the Peking regime. The Chinese Communist border fighting with the Vietnamese betrayed the Chinese Communist aggressive nature and military weakness. It is time for the government and people of the Republic of China to realize the true significance of President Reagan's frustrating trip to the Chinese mainland and seize this golden opportunity to re-align ROC-U.S. relations so that we can strengthen our relations to counter Soviet and Chinese communism more effectively in the future.

Shultz Statement on Arms Sales

OW050101 Taipei International Service in English 0100 GMT 3 May 84

[Station commentary]

[Text] The people in the Republic of China may take some comfort from U.S. Secretary of State George Shultz's latest assurance in Red China that the American arms sales to Taipei will continue despite Peking's objections. However, one can't help entertaining some misgivings about his linking the arms sales to the Republic of China to the August 17 joint communique limiting the arms sales to the present level both quantitatively and qualitatively. If the wording of the document is adhered to, the Taiwan Relations Act would be rendered meaningless and the military balance in the Taiwan Strait would be shifted in favor of Red China in the next couple of years.

At the time of U.S. recognition of Peking, American military experts predicted that Red China would not acquire the capability to invade Taiwan until the mid-1980's. More than five years have passed since then.

The military balance in the Taiwan Strait has shifted dangerously to the advantage of Red China because the Republic of China, which relies principally on its Air Force to deter an aggression from the mainland, has been denied fighter interceptors better than the obsolescent F5E's whereas Communist China has started producing an all-weather jet fighter and is developing two other types of advanced combat jets. Military experts predicted that Peking will have 3,000 of the new jet fighters ready by the end of the decade. If Free China is unable to acquire a much superior aircraft before then, Taiwan will be completely at the mercy of its enemy across the strait. Considering that integration of new jet fighters to the Republic of China's Air Force would require a lead time of at least 3 to 5 years, the time for Washington to decide selling more sophisticated fighters to Taipei can't be delayed any longer. Not only the security of Free China is at stake, the security of free Asia as a whole and the interests of the U.S. itself would be jeopardized if Taiwan was seized by the Chinese Communists. Here, we would like to refer to what Professor (A. James Gregor) of the Institute of International Studies, University of California, Berkeley, said in a paper: In any confrontation between the United States and the Soviet Union, Red China would have every reason to maintain neutrality. Peking's policy has always been to manipulate the two superpowers to serve its own interests. The paper points out: Possessed of Taiwan, Peking would be in a position not only to bargain with both Washington and Moscow, but also it would be able to influence policy deliberation in Tokyo, Seoul and Pyongyang. Peking would be free to enter into accommodation with the Soviet Union or draw Japan more closely into its own orbit or threaten the survival of the Republic of Korea by more forcefully aligning itself with the policies of Pyongyang. American policymakers may well consider the consequences of continued neglect of Free China's defense needs.

#### Lessons From Reagan's Visit

OW060303 Taipei International Service in English 0100 GMT 4 May 84

[Station commentary]

[Text] Ronald Reagan spent 6 days in Red China, saw the Pope briefly in Anchorage and went on home to the White House. He and John Paul make quite a pair. It would be difficult to imagine two men with more charisma. They have a lot of ideas in common and some things that differ. The world probably won't be changed much by either the mainland China visit, or the Alaska stopover. However, if President Reagan had his eyes and ears open, he returns to Washington with a somewhat altered impression of Red China.

Out of politeness, he said some nice things about his host on departing Shanghai. Naturally, he would not call attention to the censorship of his speeches, or to the movie-set walk he took on the Great Wall. It is much like Richard Nixon's before him. But he must be asking himself why the communists would not let him mention freedom or religion within the hearing of our mainland compatriots. The values which Mr Reagan was discussing are those the people of the Republic of China on Taiwan and the people of the mainland both want. It was oh so obvious that what the Chinese Communists really wanted from Mr Reagan was Taiwan. Teng Hsiao-ping did not conceal the fact, and more will be heard about it as time goes on. The Red Chinese leaders were not changed by what Mr Reagan had to say. They were courteous because they still hope in time to change the American President. That is not likely. The simple truth is that President Reagan was kicking off his reelection campaign in Red China. Where would it have done more dramatically? Where could have he gotten all the television footage? And when you get right down to it, where could he have arranged a stronger contrast between life in the free United States and the enslaved land of Red China?

As William Safire of the WASHINGTON TIMES put it, the worst slum does not convey the quality of Peking's residential areas. He said there was not word to describe such housing adequately, at least not in our language. And he added: No amount of reading had prepared me for the grime of poverty, general gloominess of this Peking, city of 9 million. Even in the Great Wall Hotel -- the city's biggest and fanciest -- the lights do not always work. The military are everywhere. The dirt, the grime -- it is not possible to describe their effects on the spirit.

It should be understood that this is not China. This is communism. The Chinese people are not dirty, as can be readily seen in Taiwan, Hong Kong, Singapore, or the Overseas Chinese communities. Red China is the exception because the Chinese people have learned not to care. Their pride has been destroyed. Even the communists admit that Chinese faith and confidence have disappeared. Incentive to do and be better is gone. To his credit, Mr Reagan was not taken in by the communist demand that he refuse to sell arms to the Republic of China and prepare the way for communization of the Taiwan people. On the other hand, he did not get anything from the Chinese Communists. They declined to join him in denunciation of the Soviet Union. They cut him off the air when he attempted to point out that Moscow is the enemy No 1 of those who want to be free.

One aspect of Reagan's visit received little attention. Huge crowds turned out to see him pass by. Obviously, the Chinese Communist authorities could have ordered the people to line the streets, and in cases they may have done so. But the size of the throng indicated that a good many of the people were present because they wanted to be. They were silent for the most part, which also may have revealed an endorsement of the American President. The Chinese people everywhere have liked the Americans. They fought together in World War II against the Japanese. The mainlanders had no choice about fighting the Americans in the Korean war. President Reagan may have been receiving a silent tribute and salute from a good many mainland Chinese who watched him pass.

Mr Reagan is a powerful leader with a dominant personality. The Chinese Communist leaders were put in the shade by his overwhelming personality. He did not pull his punches about freedom, democracy, capitalism and God. This alone would indicate that he was not deceived. He merely remarked that the Chinese Communists had to understand the United States and that this is what America is all about. In his heart, the American chief executive may know a lot more about Red China now, and by the same token, have come to understand the Republic of China's position better.

#### Evaluation of Visit

OW080531 Taipei International Service in English 0100 GMT 5 May 84

[Station commentary]

[Text] In the wake of President Ronald Reagan's 6-day trip to Red China, people everywhere have started evaluating its outcome, and what he has accomplished, or failed to accomplish.

President Reagan himself described his trip as a success, but he was frank to admit that his visit did not remove the differences between the U.S. and Communist China. American reporters accompanying Reagan to the mainland said the visit was stage-managed from the start to give the President maximum publicity in the months leading up the presidential election in November. The report seems to bear out earlier speculations that Reagan's trip to Red China was largely an election year ploy.

Viewing from this point of view, one may say that the visit was a success. American companies making nuclear reactors and other related equipment may also consider the Reagan trip a success, because he signed a nuclear agreement with Peking, allowing them to sell their products and services to Red China.

However, if President Reagan had entertained any hope of winning over Red China in a U.S. effort to contain the Soviet Union, the trip was obviously a total failure. Peking not only censored the Reagan speech denouncing the Soviet Union, but also voiced its objection to the deployment of updated American missiles in Europe. To back up its statement that it is following a neutral policy, Peking also criticized U.S. policy in the Middle East and Central America.

NEWSWEEK magazine reported that Peking prepared for Reagan's arrival by telling the people of the seamy side of American life. This sinister move indicated that Red China still considers the U.S. as an enemy. President Reagan's visit has undoubtedly given the communist rulers much prestige, by dint of the fact that he is known as a friend of the Republic of China and a staunch anticommunist all his life. However, Peking paid the price for that benefit by allowing the President to make two public speeches to extol the virtues of democracy and capitalism. Although these speeches were censored by the communist authorities, the message he preached will sooner or later reach the people, and contribute to the further weakening of Peking's ideological control.

True to his words, President Reagan made no further concession to Peking concerning the so-called Taiwan question. But there is no denying that any progress in U.S.-Red China relations will hurt Free China. This can be offset only by a more thoughtful implementation of the Taiwan Relations Act, particularly the calls about selling defensive arms to the Republic of China.

#### REACTION TO S. KOREA POSTPONING HIJACK SENTENCING

0W051425 Taipei CNA in English 1414 GMT 5 May 84

[Text] Taipei, May 5 (CNA) -- The Ministry of Foreign Affairs [MOFA] has expressed its deep concerns to South Korea over the reports that the South Korean Supreme Court might postpone until May 22 sentencing of the six Chinese who forced a civil airliner to land in Seoul last year. MOFA spokesman Henry Wang, in response to a reporter's question, said that the South Korean Supreme Court has originally scheduled to pass sentencing on the six people on May 9 and has informed their attorneys of the decision.

However, Wang continued, some newspapers reported that the South Korean authorities have decided to postpone sentencing until May 22. MOFA so far has not been informed of the decision and is deeply concerned about the development of this issue, Wang said. Foreign Minister Chu Fu-sung called in South Korean Ambassador Kim Chong-kon this morning to express deep concern over the issue. Chu has also cabled Hsueh Yu-chi, the Republic of China ambassador to South Korea, instructing him to ask Korean authorities if these reports are true.

GOVERNOR YOODE COMMENTS ON HONG KONG'S FUTURE

HK080250 Hong Kong SOUTH CHINA MORNING POST in English 6 May 84 pp 1, 12

[Article by Frank Choi: "Youde's Vote of Confidence"]

[Text] The governor, Sir Edward Youde, vowed yesterday that there will "no lame duck administration" in Hong Kong in the run-up to 1997. In a vote of confidence on Hong Kong's future, Sir Edward promised an effective administration in the next 13 years. And he cited Hong Kong's long-term plans for education, for the development of government on more representative lines and in many other fields as evidence of the determination to ensure the continuing should administration of the territory.

The governor chose to make his statement at the opening of the New Territories Heung Yee Kuk [Rural Consultative Council] Taipo District Secondary School at Tai Yuen Estate yesterday morning. It was one of the rare occasions, in recent months, that Sir Edward has attended an official function in Hong Kong that is unrelated to the business of either the Executive or Legislative Councils. Of late, he has been kept so busy shuttling from Hong Kong to Peking and London for the Sino-British negotiations that other public engagement have been cut to a minimum.

Addressing the opening ceremony of the new school, the governor devoted more than half of his speech to a pledge of confidence in Hong Kong's future. He also commented for the first time on the statement by the Foreign Secretary, Sir Geoffrey Howe, in which he confirmed that British administration will come to an end in 1997. Sir Edward said change must come to Hong Kong in the coming years and it was understandable that this should cause concern and anxiety. "This change will be a challenge, but no challenge was ever overcome by negative attitudes." "In the light of what the secretary of state has said, it is time for realism, continuing commitment to the well-being of this community and constructive thinking. This will continue to be the approach of the Hong Kong Government. We may face a challenge, but it is a challenge which I believe that this community, which has weathered so much in the past, can face successfully in the future," he said.

The Governor noted that during Sir Geoffrey's press conference the foreign secretary had spoken of the prospect that British administration could not continue after 1997. Sir Edward was quick to add: "But that is not all he said. He emphasised that it remained the objective of the British Government to work out a framework of arrangements that would provide for the maintenance of Hong Kong as a flourishing and dynamic society and to reach an agreement in which those arrangements would be formally recorded." "He spoke of the need for firm assurances that arrangements for Hong Kong's continuing prosperity and stability, based on effective autonomy, will continue, and of the people of Hong Kong's need to know the term of the agreement and of having time to express their views before that agreement is commended to Parliament." Sir Edward said: "He spoke, too, of the Government of Hong Kong being developed on increasing ly representative lines in the years immediately ahead."

After the ceremony, the governor spoke to reporters about the determination of the government to continue to develop the territory. "It is very important to realise how much is going on in Hong Kong all the time. I have spoken of its many times, and I shall be speaking of it again. There is a great deal to do. We shall be getting on with doing it, and we expect to have the full support of the community in out task," he said.

Elaborating on his statement that the government will be "no lame-duck administration" between now and 1997, the governor said: "What I have been doing this morning is going round to look at some of the things which are happening, because it is very important to realise how much is happening in Hong Kong all the time." As for changes towards a more representative government, he suggested it will be done progressively, but he was not going to set down a time scale to implement the proposals. He stressed that "it will be progressive and we have spoken of developments in the coming years. So I will leave you to guess the time scale."

Sir Edward noted that the Kuk's plans to build secondary schools in each of its three electoral districts were conceived before the main thrust of expansion and urban development had reached the New Territories. "Now a ring of new, modern towns surrounds the older urban areas of Hong Kong and Kowloon, linked by transport systems to serve the growing needs of industry and commerce and a population which has doubled in the past 10 years and which will reach nearly three million by 1991." "In this same period before 1991, decisions have already been taken to build a further 36 secondary schools throughout Hong Kong. Now we need to examine the next phase of urban expansion and to set out the strategy for the needs of an expanding economy and population in the years ahead. This strategic plan is now being assembled and decisions as to the next broad areas to develop are expected to be made in the middle of this year," he said.

Yesterday's statement is believed to be the first time the governor has made an open address on the territory's future outside the confines of the Legislative Council chamber and it also represents his first reaction to the statement made by Sir Geoffrey Howe on April 20. Sir Edward's comments came just one day before his departure to Peking for the 14th round of the Sino-British talks on Hong Kong's future.

#### PRC MAY CREATE HONG KONG CONSTITUTION GROUP

HK080216 Hong Kong SOUTH CHINA MORNING POST in English 8 May 84 p 1

[Article by Terry Cheng: "Peking To Pick Local Advisers"]

[Text] Peking plans to set up a local committee -- which may include individual Umelco [Unofficial Members of the Executive and Legislative Councils] members -- to advise on the drafting of Hong Kong's future mini-constitution. Candidates for the committee are believed to be under consideration by local Chinese officials. Some may already have been approached, but most have yet to be consulted. The idea was recently disclosed by officials from the local branch of the NEW CHINA NEWS AGENCY to members of groups concerned about the 1997 issue. The move is seen as an indication that Peking will soon embark on the drafting of the mini-constitution. It is believed a drafting committee will be set up under the National People's Congress after China and Britain sign an agreement on Hong Kong's future. An initial agreement is now widely tipped to be reached before September.

The plan to set up the local advisory committee underlines Peking's eagerness to allay the fears of local people that their views will not be taken into consideration. However, it is not yet certain what kind of relationship will exist between the local committee and the NPC's Drafting Committee. There are conflicting reports as to whether the Peking committee will include local representatives.

Some Hong Kong visitors have quoted Peking officials as saying Peking has not yet decided whether its committee will include local delegates. But some local Chinese officials have said it will include Hong Kong people. One source says the local committee will make suggestions and representations to the Peking committee, which will do the actual drafting. If this is the case, some analysts fear the NPC Drafting Committee will not include Hong Kong representatives, as the responsibility for reflecting local opinion will already have been assumed by the local committee.

It is understood the list of the candidates for the local committee is quite long. Candidates are said to include Umelco members as well as the toughest critics of China's 1997 policies. If Umelco members agree to sit, they will do so in a private capacity. It is not known when the committee will be formed, but some say it will be within one or two months. It has been reported that Hong Kong people will be consulted at least twice before the NPC approves the draft of the mini-constitution.

Meanwhile, the appeal by the Hong Kong Federation of Trade Unions for workers to unite and take an active part in Hong Kong's democratisation is seen as part of an overall effort by leftwingers to get involved in the political scene. It is generally felt within leftwing circles that they should have their own people on representative bodies. Some other pro-Peking groups are understood to be encouraging their members to take part in the coming elections.

#### EVERBRIGHT FORMING VENTURE WITH JAPAN FIRM

HK050228 Hong Kong SOUTH CHINA MORNING POST in English 5 May 84 Business News p 1

[Article by Olivia Sin: "Everbright in Two China Deals"]

[Text] Peking-backed Everbright Industrial Co has formed two equity joint ventures, one with Japan's Kumagai Gumi Co Ltd and the other with Sino Land Co Ltd, to embark on large-scale civil engineering and housing programmes in China. The agreement with the Japanese construction company was signed here yesterday. It will enable China to tap the expertise of Kumagai, which has worldwide involvements in the construction of tunnels, railways, highways, dams and other major projects. It will also help Kumagai expand into China, which has in hand a long list of projects for infrastructural facilities in various provinces.

Under the agreement, a 50/50 joint venture company known as the Everbright-Kumagai Development Co Ltd will be registered here. It will have a paid-up capital of \$4 million, split into 400,000 shares each with a nominal value of \$10. The new company will invest in and construct civil engineering projects in China, Hong Kong and other parts of the world. The joint venture will be chaired by Mr Wang Guangying, also the chairman of Everbright.

Kumagai Gumi's president, Mr Taichiro Kumagai, who flew in from Japan for the signing ceremony this week, will be the company's vice-chairman. Everbright-Kumagai will have a board of six directors, with three from each side. The date for the first board meeting has yet to be fixed. After the ceremony, Mr Kumagai said this is the company's first joint venture with China. Details of the joint venture's plans were not released yesterday.

Mr Wang would only say that it has plans to build a multi-purpose building in Peking catering to foreign businessmen. He also said the joint venture would aid China's modernization by constructing infrastructural facilities such as bridges, railways and dams. Sources said there is also a possibility for the joint venture to participate in the development of the four sq km Everbright industrial estate in the Zhuhai Special Economic Zone.

Under the agreement, both will contribute capital and will split profits evenly. But in projects which require the assistance of Everbright's Peking branch, 20 percent of the after-tax profit will go to its Peking office. Kumagai Gumi has more than 45 years' experience in construction and civil engineering works. In Hong Kong, it has been involved in the building of the MTR project and the Castle Peak Power Station.

Everbright signed an agreement with Sino Land earlier this week to form a joint venture company, with equal shares from both sides, to build housing estates for Overseas Chinese currently staying in China or for their relatives in China. A spokesman for Everbright said the company is tentatively known as Guang Xin (China) Housing Construction Investment Co Ltd. The joint venture, registered in Hong Kong, carries a paid-up capital of \$4 million. He said the company has plans for residential construction in Peking, Shanghai and Fujian where many citizens have Overseas Chinese as their relatives. He said the houses after completion will be sold to the Overseas Chinese either for their own accommodation or for their relatives in China.

Sino Land Co, which is backed by Southeast Asian Chinese businessmen, will also help to introduce such property investment into China. He said the general manager of the company, Mr Chris Tse, is now in China looking for possible sites for real estate development. The agreement was confirmed by a Sino Land spokesman yesterday. But no details were available. Sino Land Co, the holding company for Sino Realty Group's Hong Kong property, has been involved in the development of Tsimshatsui East and manages the Far East Finance Centre in Central. Interim results showed that Sino Land reported a \$67.81 million loss for the second half of last year, after extraordinary items, against a \$167,000 profit for the same interim period in 1982.

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